ANNUAL

and

CONSOLIDATED FINANCIAL STATEMENTS

1 January 2023–31 December 2023

of

Slättö Value Add I AB
556994-4464

ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS OF SLÄTTÖ VALUE ADD I AB

The Board of Directors and the Chief Executive Officer of Slättö Value Add I AB hereby present its annual accounts for the 1 January 2023 to 31 December 2023 financial year.

DIRECTORS' REPORT

Information about the business

Slättö Value Add I AB is a Swedish public limited company registered with Finansinspektionen (the Swedish Financial Supervisory Authority) as a Swedish alternative investment fund (AIF). The fund is managed by Slättö Förvaltning AB.

The primary focus of the fund is the development of residential property, specifically rented flats, along with selective investments in cash flow-generating industrial and logistics properties.

The Parent Company, Slättö Value Add I AB, has a SEK 400 million bond listed on Nasdaq Stockholm. The bond carries an interest rate of 7.5 percent + STIBOR over a term of four years and matures in 2025.

The Group did not have any employees during the year. Over the year, the Group purchased various services, including letting services, property management, project development and support relating to financing and business development to pursue ongoing projects and manage properties.

Significant events during the financial year and after year-end

Significant events during the year

Acquisitions and sales

In February, possession of the property Väghyveln 1 in Örebro, Sweden, was relinquished. The transaction had a forward funding structure, which meant that the Group managed the project until completion while the purchaser financed the ongoing production. Final settlement of the transaction is expected upon completion.

Financing

In the Group, the listed SEK 400 million bond in Slättö Fastpartner Spånga AB was repaid upon final maturity in April 2023.

Over the year, a SEK 300 million framework for the lending of listed shares in the Group was negotiated.

Other

At two extraordinary general meetings held in May and December 2023, dividends of SEK 94.4 million in total were resolved upon, which corresponded to the accrued preferential dividends to the investors in the fund.

In June, shares in the property company Logistea AB were acquired by Ilija Batljan Invest AB (publ), which resulted in the Group becoming the owner of 19.3 percent of the shares and 21.8 percent of the votes in the company. In connection with this transaction, a call option was issued to the seller, which received the right to repurchase 50 percent of the sold shares after 18 months if certain conditions are met. In connection with the new issue in Logistea, which was announced in July, all detachable subscription rights were sold for a total purchase price of SEK 31 million. At year-end, the Group held 12.3 percent of the capital and 14.0 percent of the votes in the company.

Sustainability-related disclosures

Sustainability-related disclosures pursuant to regulations (EU) 2019/2088 and 2020/852 are provided in an appendix.

Corporate Governance Report

Slättö Value Add I AB (the 'Company') is a Swedish public limited company established in accordance with Swedish law, and its operations are regulated by Swedish legislation, including the Swedish Companies Act (2005:551) and Swedish Annual Accounts Act (1995:1554).

Corporate governance encompasses the various decision-making systems through which the owners, directly or indirectly, control the Company. Good transparency and application of the relevant legislation, recommendations and capital market's self-regulation all contribute to an effective decision-making system.

The 2023 Corporate Governance Report was prepared in light of the Company's issue of a bond that was admitted to trading on a regulated market and as part of the Company's application of the Swedish Annual Accounts Act and Swedish Companies Act. The Company's corporate governance is primarily based on applicable law, the Articles of Association and internal rules and instructions. To ensure that the Company is governed effectively, there is a clear division of responsibility between the Company's decision-making bodies. The Corporate Governance Report has been adopted by the Company's Board of Directors and examined by the Company's auditors.

Swedish Corporate Governance Code
The Company's shares are not listed for trading on a regulated market and are therefore not subject to the Swedish Corporate Governance Code.

Shares and shareholdings
At the end of 2023, the total share capital was SEK 555,878. The number of shares totalled 555,878, all unlisted and with a quota value of SEK 1 per share, divided into 61,684 ordinary Class A shares, 246,732 ordinary Class B shares and 247,464 Class C preference shares. The largest shareholder in the Company is Slättö VAI Partners AB, which owns 55,514 ordinary Class A shares and 657 Class C preference shares, corresponding to a total of 555,797 votes, i.e. approximately 50.03 percent of the number of votes in the Company. Slättö VAI Partners AB is the only registered shareholder, with a holding exceeding one-tenth of the number of votes for all shares in the Company.

Articles of Association
The Articles of Association, along with applicable legislation and the existing shareholder agreement, govern the operations and their governance. The Company's object is to own, manage, develop, let, sell or invest, directly or indirectly, in companies, land and property, and pursue compatible operations. Any changes to the Company's Articles of Association must be made according to the provisions in the Swedish Companies Act.

Annual General Meeting
The general meeting is the Company's highest decision-making body, and shareholder influence in the Company is formally exercised at the general meeting in accordance with the Swedish Companies Act, including via the appointment of a Board of Directors and an auditor. The Annual General Meeting is held according to the provisions of the Swedish Companies Act, within six months of the end of each financial year, at which point resolutions are passed regarding the adoption of the income statement and balance sheet, appropriation of profit or loss, discharge of Board members and the Chief Executive Officer from liability to the Company and remuneration to Board members and the Company's auditor.

At the Annual General Meeting, the shareholders also pass resolutions on other key issues relating to the Company, such as changes to the Articles of Association or new share issues. If the Board of Directors deems it necessary to hold a general meeting prior to the next Annual General Meeting, or if this is requested in writing by the Company's auditors or the holders of at least one-tenth of all shares in the Company, the Board of Directors shall convene an extraordinary general meeting.

According to the Articles of Association, general meetings of the Company are convened through the publication of a notice in the Official Swedish Gazette and on the Company's website. The Company will also announce in the Swedish daily business newspaper, Dagens Industri, that a meeting has been convened. The notice convening a general meeting of the Company is issued no earlier than six weeks and no later than four weeks prior to the meeting.

The Annual General Meeting of the Company was held on 26 June 2023. At the Annual General Meeting, 56,171 shares and 555,797 votes were represented, corresponding to 10.1 percent of the number of shares and votes.

The following resolutions were passed at the Annual General Meeting on 26 June:

- The income statement and balance sheet and the consolidated income statement and consolidated balance sheet included in the annual accounts were adopted.
- The members of the Board of Directors and the Chief Executive Officer, also including former Board members and chief executive officers, were discharged from liability for their management of the Company's affairs during the previous financial year.
- The Board of Directors shall comprise three ordinary members without deputies, and an auditor shall be appointed in the form of a registered auditing firm with an auditor-in-charge.
- Existing board members Johan Karlsson och Erik Dansbo were reelected, the board member Staffan Unge was dismissed, and Jonas Andersson was elected as a new board member.
- The current firm of auditors, Ernst & Young AB, and the current auditor-in-charge, Mikael Ikonen, were dismissed. KPMG AB was appointed as the new firm of auditors with Mattias Johansson as the new auditor-in-charge.
- Dividends of SEK 193.33 per preference share in Series C, SEK 47,841,828.46 in total, were resolved upon.
- No fee will be paid to the Board members, and the fees to the Company's auditor shall be paid according to current and

Board of Directors

The Board of Directors has overall responsibility for the Company's strategy and organisation and manages the Company's affairs on behalf of the shareholders. Furthermore, according to the Swedish Companies Act, the Board of Directors is responsible for continually assessing the financial position of the Company and ensuring that the Company is structured in such a way that its accounting, management of funds and other financial circumstances are subject to satisfactory controls. As the Company is a public limited company, and in accordance with the Swedish Companies Act, the Board of Directors has established written rules of procedure that are regularly evaluated, updated and adopted. The rules of procedure set out the Board of Directors' duties and the division of responsibilities between the Board of Directors and the Chief Executive Officer. The Chair of the Board has particular responsibility for managing the work of the Board of Directors and ensuring that the Board of Directors fulfils its statutory duties.

The Board of Directors' duties include monitoring significant investments and ensuring that satisfactory internal controls are in place regarding the Company's compliance with laws and other regulations relevant to the Company's operations and its compliance with internal guidelines. The Board of Directors' duties also include ensuring that the companies' disclosure of information to the market and investors is transparent, accurate, relevant and reliable; and appointing, evaluating and, as required and applicable, dismissing the companies' chief executive officers.

According to the Articles of Association, the Company's Board of Directors shall consist of a minimum of three and a maximum of six Board members with a maximum of six deputies. The Company's Board members are elected annually at the Company's Annual General Meeting for the period up until the end of the next Annual General Meeting. There are no limitations on the length of time that an individual may serve on the Board of Directors. In 2023, the Board of Directors comprised three members: Johan Karlsson (Chair), Staffan Unge and Erik Dansbo. After the Annual General Meeting, the Board of Directors comprised Johan Karlsson (Chair), Erik Dansbo and Jonas Andersson. According to the current rules of procedure, the Board of Directors shall hold a statutory Board meeting if the composition of the Board is changed at the Annual General Meeting and at least four ordinary meetings. In 2023, the Board of Directors held seven minuted meetings.

Chief Executive Officer

The Company's Chief Executive Officer (the '**CEO**') manages the ongoing administration of the Company in accordance with applicable legislation, the Articles of Association, the rules and procedures of the Board of Directors and according to the Board of Directors' guidelines and instructions, including the CEO instructions, and is entitled and obliged to take the requisite measures. The CEO may also take measures, without the authorisation of the Board, that, with regard to the scope and nature of the Company's operations, are unusual or of considerable significance, if it is not possible to wait for a resolution of the Board of Directors without creating a substantial disadvantage for the business. In such event, the Board of Directors must be informed of such measures as soon as possible. The CEO shall also take such measures as are deemed necessary for the Company's accounts to be completed in accordance with applicable law and to ensure that funds are adequately managed in a way that covers satisfactory controls and monitoring.

The CEO continually provides Board members with the information they require to monitor the Company's financial situation, such as information about the Company's operations and earnings, liquidity and borrowings, whether taxes and fees have been paid, and significant business transactions. The CEO is evaluated continually by the Board of Directors. The Company's externally appointed CEO is Christian Bratt.

Internal control and audit
According to applicable legislation, the Company's Board of Directors is responsible for the Company's internal controls. The Board must continually assess the financial position of the Company and ensure that the Company is structured in such a way that its accounting, management of funds and other financial circumstances are subject to satisfactory control. The purpose of internal control is to achieve a well-adapted and efficient organisation, reliable financial reporting and information about the business, as well as compliance with applicable laws, regulations, recommendations and governance documents. The Company has reviewed its essential business procedures to identify and reduce risks or mitigate their impact. Risks and opportunities were also identified and managed in the business plan and budget processes. Also, an assessment of financial risk was made based on the income statement and balance sheet, according to which items were evaluated based on risk and materiality. Control activities in the financial reporting were based on the risk assessment and incorporated into the Company's procedures, which are evaluated regularly. This section of the Corporate Governance Report, regarding the Company's internal control, chiefly relates to the Company's financial reporting. All interim reports and press releases are released on the Company's website (https://slattovalueaddi.com/) to coincide with their publication.

The rules of procedure of the Board of Directors, the adopted instructions to the CEO and the adopted governance documents that together constitute the Company's internal governance framework ensure that the Company's control environment functions effectively. Internal governance documents include a finance and valuation policy, decision and authorisation rules and other documents. Compliance with the Company's governance documents is followed up and evaluated continuously. The Company performs comprehensive follow-up and review of policies and other governance documents every year.

The valuation procedure for investment properties contains elements of estimates and assumptions with major potential impact on the carrying value of the assets. Consequently, it is considered to be particularly important to ensure the financial reporting of property values. The Company's properties are valued at each reporting date in accordance with the property valuation policy. Investment properties are valued externally by independent authorised property valuation institutes with relevant qualification at least annually. Project properties, new production projects and undeveloped land shall be both externally and internally valued; the external valuation is used to quality-assure the internal valuation.
The Board continually evaluates the information provided by the CEO and auditor.

Furthermore, the auditor reports their observations from the audit and their opinion of internal controls directly to the Board of Directors at least once a year.

The Company's external auditor is appointed by the Annual General Meeting. The auditor is tasked with conducting an independent audit of the Company's accounts and Corporate Governance Report on behalf of the shareholders, examining the Board of Directors and the CEO's management of the Company and ensuring that the annual accounts are prepared in accordance with applicable laws and regulations. According to the Company's Articles of Association, it shall have at least one and no more than two auditors, and no more than one deputy auditor. An authorised public accountant or a registered auditing firm shall be appointed auditor and, if applicable, deputy auditor. The 2023 Annual General meeting resolved to dismiss the firm of auditors, Ernst & Young AB, and the auditor-in-charge, Mikael Ikonen, and appoint KPMG as the new firm of auditors and Mattias Johansson as the new auditor-in-charge until the end of the 2024 Annual General Meeting.

Audit and remuneration committees
Due to the nature and extent of the Company's operations, it has not been necessary to establish special committees for audit or remuneration issues in the Company.

Significant events after the end of the financial year

In December 2023, it was resolved to make a dividend of SEK 47 million to investors, which was paid in the beginning of the first quarter of 2024.

In the first quarter of 2024, 1,193,455 shares in the listed company Fastpartner A were divested for a consideration of SEK 85.9 million in total, which resulted in capital gains of SEK 14.9 million.

Future development
The Group is fully invested and is deemed to have a solid financial position. The Group's primary goal is to create value for its owners. Aligned with this goal are the Group's focus areas: driving the development of remaining projects, delivering on adopted business plans and taking an opportunistic view of divestments when opportunities arise. The Group monitors market developments carefully and is ready to act swiftly if changing conditions would affect the Group's ability to deliver on its long-term goals.

Profit or loss and financial position

Income statement for the period January–December 2023

Operating profit for the year totalled SEK 7,753 thousand (operating loss: 904) and included a loss from property management of SEK 87,288 thousand (36,866). The Group divested the majority of its investment properties that were cash-generating, which affected the Group's net operating income. The Group's investment properties chiefly refer to properties under construction which do not yet generate rental income. The remaining investment properties are held by the Group's joint ventures and associates. Loss for the period was SEK 17,320 thousand (profit: 116,992) and included value changes of SEK 30,475 thousand (155,970) on investment properties and value changes of SEK 64,658 thousand (-13,554) on financial instruments.

Profit/loss for the year was affected positively by value changes on the investment property Väghyveln 1 in Örebro, Sweden, which is under construction. Over the year, the property was divested to Blackrock in a forward funding structure.

The transaction related to the acquisition of listed shares in Logistea, value changes and sales of subscription rights had a positive effect of SEK 56 million on the Group's profit/loss for the year. The remaining value changes related to financial instruments referred to the Group's holding in Fastpartner A.

Balance sheet for the period January–December 2023

Assets
Total assets were SEK 3,409,540 thousand (3,315,768), of which major asset items were chiefly investment properties of SEK 1,430,280 thousand (1,453,342) and financial assets measured at fair value of SEK 489,279 thousand (188,013). Other receivables were SEK 499,226 thousand (447,409) at year-end.

The Group's investment properties include the Group's residential development project, Bromstenstaden, in Spånga, Stockholm, Sweden. New rented flats are being developed in Norrtälje Harbour, Sweden. This development is at the final stage and tenants have begun to move in. The property has been sold and will be transferred upon completion, which is expected to occur in the second quarter of 2024.
The Group's financial assets measured at fair value refer to listed shares in Logistea AB och Fastpartner A. The item increased over the year due to a transaction related to the holding in Logistea AB.

Other receivables in the Group chiefly relate to property divestments made as part of forward funding structures, where the final settlement is made upon completion of the property. Over the year, it was decided that the Group had been granted an investment subsidy for the Norrtälje Harbour housing project. The subsidy will be received in the first quarter of 2024.

Equity
Equity was SEK 2,049,127 thousand (2,020,387), with an equity/assets ratio of 60.1 percent (60.9) at year-end. This change chiefly relates to dividends to investors and minority investors and shareholder contributions from minority shareholders.

Liabilities
Interest-bearing financing was SEK 1,080,268 thousand (1,112,317) at year-end, of which SEK 400,000 thousand in bond loans (800,000) matures in February 2025. Current interest-bearing liabilities to credit institutions comprised construction loans and equity-backed loans.

Sales, profit or loss and financial position (Group)

Income statement, SEK thousand	**2023**	**2022**	**2021**	**2020**	**2019**
Rental income	11,566	8,896	63,352	37,382	29,893
Profit/loss before tax	-5,978	104,209	361,540	297,079	260,978
Balance sheet, SEK thousand					
Equity	2,049,127	2,020,387	2,352,307	2,075,512	1,756,114
Total assets	3,409,540	3,315,768	3,666,884	4,350,902	3,327,123
Equity/assets ratio	60.1%	60.9%	64.2%	47.7%	52.8%

Risks and risk management

Due to its operations, the Group is exposed to various kinds of risks that are significant to the Company's future business, performance and financial position. External factors that may affect the business are divided into strategic, operational and financial risks, as well as trademark risk. Risk assessments are therefore a key element of the Company's annual strategy process. The objective of the Group's risk management is to identify and manage risks that may impact the Company. Operational risks are managed by each subsidiary and are detailed below.

Risk	Description of risk	Management
The Group's financial risks		
Macro factors	The property sector is generally affected by a number of macro factors. These include general economic performance, employment figures and how society and conditions for housing, health care and businesses are changing. Developments may vary in different parts of the country, which is why it is important to understand the drivers for local and regional growth.	The risk is managed continually via business intelligence and conservative assumptions in estimates and business plans for individual projects.
Market value of properties	The Group's investment properties are measured at fair value. Fair value is primarily based on two main components: operating profit or loss and the market's yield requirements. Operating profit or loss is affected by several property-specific parameters such as rent levels, vacancy rates and operating and maintenance costs. The market's yield requirements are impacted by factors such as interest rate levels and location-specific circumstances. Changes in the market's yield requirements may result in a decline in the value of a property. Values may also decrease as a result of a reduction in financing available to the property sector.	To secure and develop the value of the property portfolio, the Group continually endeavours to improve its property management. The Group can, to some extent, limit the risks associated with changes in yield requirements by focusing on locations with healthy growth and good liquidity in the transaction market.
Legislative and regulatory char	The property sector is capital intensive and even minor legislative changes regarding, for example, tax or amended property legislation could have a significant impact on the conditions for the sector and on the Company's profit or loss.	These risks are chiefly managed by monitoring, both internally and in consultation with independent experts, changes in practices and the development of new regulations.

Operational risks		
Transaction risks	Property transactions are associated with uncertainty and risks. It could relate to unforeseen ground conditions, legal issues, financial commitments, decisions by government authorities and tenant relations.	In order to manage these kinds of risks, each transaction is subject to a due diligence process that includes a legal analysis of existing documentation, a survey of ground conditions and technical deficiencies, details of any disputes, analysis of the tax situation, etc. The purpose of this is to identify, manage and prevent transactional risks for both the buyer and the seller.
Rental income	The Group's income comprises rental income for rented residential units, premises and warehousing and logistics premises. If vacancies increase in the portfolio, rental income will decline. The risk of a drop in rental income increases if tenants lose their income, terminate the lease or have difficulty making payments. Income is affected if the Company's tenants fail to pay their rent. Vacancies and unpaid rental income may also have a negative impact on property value.	A tenant's financial conditions are assessed when a lease is concluded. Individual tenants' inability to pay is offset by the large number of leases. Where appropriate, the Group also cooperates with the trade association Fastighetsägarna in residential rent negotiations. For warehouses and logistics properties (commercial properties), long-term leases are often signed with stable, long-term tenants. However, short-term leases also occur. To limit its exposure to the vacation of properties and rental losses, the Group aims to have long-standing customer relationships and to prioritise tenants with high creditworthiness. The Group continually endeavours to renegotiate existing leases to minimise risk in the short term. The vast majority of leases, over 95 percent, are also adjusted for inflation and linked to the CPI.
Projects	The Group operates various forms of new-build projects, with project portfolio risk mainly related to the procurement of contractors and other cooperation partners. The wrong choice of contractors and other cooperation partners could have significant consequences in the form of cost increases, quality deficiencies and delays. Unforeseen events may also delay or lead to cost increases in projects. If the Group's cost estimate process for a project is wrong, it may lead to incorrect investment decisions and to a project being more expensive than expected. In addition, if a project is planned using the wrong input values, it can lead to difficulties achieving the expected profit on the project. Construction projects may be associated with environmental and health and safety risks.	Risks associated with project development and project implementation are managed by hiring and retaining skilled contractors and by establishing relevant procedures and decisions. The procurement of suppliers and contractors is based on both long-term relations and competitive tendering. The Group also uses agreement templates, where appropriate supported by legal counsel. The Group uses final cost forecasts and business cost estimates at an early stage of projects to ensure relevant and reasonable input values throughout the project process. Final cost forecasts and business cost estimates are updated every quarter and risk provisions in forecasts and cost estimates aim to take into account the volatile contractor sector and manage the risk relating to cost increases and delays.

Property management	As a property owner, it is important for the Company that its property values are maintained or increased through its management and that the risk of property damage or injury – property owner liability – is minimised. Non-compliance with external or internal regulations may occur if the necessary capabilities are not in place or if regulations are unclear.	The Group has signed a management agreement with Slättö Förvaltning AB. Slättö Förvaltning AB continually endeavours to develop the management organisation as the property portfolio grows. Risk is managed by the management organisation working according to property-specific maintenance plans and through regular training on property owner liability. The Group regularly assesses its organisation, evaluating costs against the need for long-term, sustainable management.

The Group's financial risks

Interest rate risk	Changes in market interest rates affect the cost of borrowing, which means interest expense may impact the Group's financial position and its ability to generate returns. Conditions in bond markets and interest rate levels may change.	The Group's financing activities are managed in accordance with the finance policy established by the Board of Directors. Interest rate risk is limited through continual access to various sources of financing and the ability to choose the most favourable source of financing. The risk of increased interest expenses resulting from a change in market rates is difficult to mitigate during the construction phase, as interest rate hedging is not normally applied to project finance. However, the risk can be managed using interest rate derivatives on completion, primarily interest rate swaps and interest rate caps.
Refinancing risk	The Group is dependent on external parties for refinancing. Refinancing risk refers to the risk of cash and cash equivalents not being available and of the inability to raise funding, wholly or in part, or at an increased cost. The bulk of the Group's financing consists of bond loans, construction loans and its own balance sheet (fund structure).	The Group manages refinancing risk by aiming to have a diverse borrowing portfolio and by spreading the borrowing portfolio's maturities. The Group works actively with a number of different banks to reduce its dependence on individual banks. The Group also has varied sources of financing (bond loans, construction loans and its own balance sheet (fund structure)). Loans are extended well in advance of maturity dates to reduce refinancing risk.
Liquidity risk	Liquidity risk is the risk of the Group having difficulties in meeting its commitments and financial obligations. The risk of banks changing at short notice their requirements for issuing construction loans can make financing more difficult.	Liquidity risk is managed by ensuring that sufficient liquid assets are available to meet the payment commitments when they fall due and by monitoring the forecast cash flows continuously. The Group continually maintains liquidity plans for each individual project and investment and for the Company as a whole to ensure liquidity preparedness well in advance of the allocation of capital. The Group has overdraft facilities to manage temporary liquidity fluctuations.

Trademark		
Reputation	The way the Group runs its business may have a long-term effect on the Company's reputation. The Company's reputation is maintained or strengthened by conducting its work in line with applicable requirements, internal regulations and external expectations. However, its reputation could be adversely affected if mistakes are made because of insufficient capabilities or knowledge of applicable regulations.	The Group has signed a management agreement with Slättö Förvaltning AB, which manages fund activities. Slättö Förvaltning AB endeavours to comply with regulations and external expectations, and has adopted reporting procedures and an extensive framework of guideline documents that are regularly communicated to all employees. These documents are updated on a regular basis. The Group also has a crisis communication plan that aims to provide support and guidance in the event of a crisis situation, allowing the Group to look after its customers, investors, cooperation partners, credibility and trademark in the optimum way.

Sustainability

Sustainability risks describe how the Group's business could affect people, the environment and society.

The Group makes clear and conscious environmental efforts to reduce its own environmental impact and that of its customers and suppliers. By including systematic sustainability efforts in its business model, the Company can take action related to financial management, the environment and social impact at all stages of the investment cycle. Sustainability governance in projects involves overall goals being set early on and detailed objectives gradually being specified in the form of quantifiable requirements and indicators. Most of the Group's property projects aim to achieve the 'Miljöbyggnad Silver' environmental classification.

Proposed appropriation of profits (SEK)

The following profit is at the disposal of the Annual General Meeting:

Retained earnings from the previous year	459,510,376
Dividend	-94,399,329
Profit/loss for the year	-145,617,852
	219,493,195

The Board of Directors proposes that

the following amount be carried forward	219,493,195
	219,493,195

CONSOLIDATED INCOME STATEMENT

Amounts in SEK thousand	Note	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Rental income	3 4	11,566	8,896
Other income	3	7,487	4,712
Operating and maintenance costs	5	-11,300	-14,512
Net operating income		**7,753**	**-904**
Central administration	5 6	-63,387	-55,796
Profit/loss from investments in associates/joint ventures	7	-47,829	46,878
Profit/loss from property sales	8	-4,484	-
Finance income	9	78,302	27,118
Finance costs	10	-57,642	-54,162
Profit/loss from property management		**-87,288**	**-36,866**
Income, project properties and properties held for development	3	41,437	16,151
Expenses, project properties and properties held for development	5	-55,260	-17,492
Profit/loss before changes in value		**-101,111**	**-38,207**
Changes in the value of investment properties	11	30,475	155,970
Changes in the value of financial instruments	12	64,658	-13,554
Profit/loss before tax		**-5,978**	**104,209**
Current tax	13	-232	-518
Deferred tax	13	-11,110	13,301
PROFIT/LOSS FOR THE YEAR		**-17,320**	**116,992**
Profit/loss attributable to:			
Parent Company shareholders		-122,364	133,643
Non-controlling interests		105,044	-16,651

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK thousand	Note	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Profit/loss for the year		-17,320	116,992
OTHER COMPREHENSIVE INCOME FOR THE PERIOD			
Total other comprehensive income		-	-
Comprehensive income attributable to:			
Parent Company shareholders		-122,364	133,643
Non-controlling interests		105,044	-16,651
COMPREHENSIVE INCOME FOR THE YEAR		-17,320	116,992

CONSOLIDATED STATEMENT OF FINANCIAL POSITION Amounts in SEK thousand	Note	12-31-2023	12-31-2022
ASSETS			
Non-current assets			
Investment properties	14	1,430,280	1,453,342
Investments in associates/joint ventures	15	274,470	367,538
Receivables from associates/joint ventures	16	86,361	-
Financial assets at fair value	17	489,279	-
Other non-current receivables		958	959
Total non-current assets		**2,281,348**	**1,821,839**
Current assets			
Project properties and properties held for development	18	158,081	79,994
Trade receivables	19	53,554	17,505
Receivables from associates/joint ventures	16	252,107	336,664
Financial assets at fair value	17	-	188,013
Participations in tenant-owner associations		115	-
Tax assets		3,701	980
Other receivables	20	499,226	447,409
Prepaid expenses and accrued income		33,330	23,885
Cash and cash equivalents	21	128,079	399,479
Total current assets		**1,128,193**	**1,493,929**
TOTAL ASSETS		**3,409,540**	**3,315,768**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION Amounts in SEK thousand	Note	12-31-2023	12-31-2022
EQUITY AND LIABILITIES			
Equity			
Share capital	22	556	556
Other contributed capital		1,049,177	1,049,177
Retained earnings including profit/loss for the year		359,531	567,583
Non-controlling interests		639,863	403,071
Total equity		**2,049,127**	**2,020,387**
Non-current liabilities			
Deferred tax liabilities	13	58,374	47,264
Interest-bearing liabilities	23	542,560	508,773
Financial liabilities at fair value		23,704	-
Total non-current liabilities		**624,638**	**556,037**
Current liabilities			
Interest-bearing liabilities	23	537,708	603,544
Trade payables		4,137	7,345
Liabilities to associates/joint ventures		11,961	59,755
Other current liabilities	26	120,631	22,920
Accrued expenses and deferred income	27	61,338	45,780
Total current liabilities		**735,776**	**739,344**
TOTAL EQUITY AND LIABILITIES		**3,409,540**	**3,315,768**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in SEK thousand

	Share capital	Other contributed capital	Retained earnings incl. profit/loss for the year	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
Opening equity, 01/01/2022	**556**	**1,049,177**	**843,852**	**1,893,585**	**458,722**	**2,352,307**
Profit/loss for the year			133,643	133,643	**-16,651**	116,992
Other comprehensive income			-	-	-	-
Comprehensive income for the year	-	-	**133,643**	133,643	-16,651	116,992
Transactions with shareholders				-		-
Transactions with non-controlling interests			-	-	-	-
Dividend			-409,913	**-409,913**	-39,000	**-448,913**
Closing equity, 31/12/2022	**556**	**1,049,177**	**567,582**	**1,617,315**	**403,071**	**2,020,386**
Opening equity, 01/01/2023	**556**	**1,049,177**	**567,582**	**1,617,315**	**403,071**	**2,020,386**
Profit/loss for the year			-122,364	-122,364	105,044	-17,320
Other comprehensive income			-	-	-	-
Comprehensive income for the year	-	-	-122,364	-122,364	105,044	-17,320
Transactions with shareholders				-		-
Transactions with non-controlling interests			8,712	8,712	-8,712	-
Shareholder contributions				-	202,800	202,800
Dividend			-94,399	-94,399	-62,340	**-156,739**
Closing equity, 31/12/2023	**556**	**1,049,177**	**359,531**	**1,409,264**	**639,862**	**2,049,127**

CONSOLIDATED CASH FLOW STATEMENT Amounts in SEK thousand	Note	01-01-2023 12-31-2023	01-01-2022 12-31-2022
	21		
Operating activities			
Profit/loss before changes in value		-101,111	-38,207
Adjustment for non-cash items		44,268	-53,603
Income taxes paid		-2,953	405
Cash flows from operating activities before changes in working capital		**-59,796**	**-91,405**
Cash flows from changes in working capital			
Changes in project properties and properties held for development		-99,680	-18,698
Changes in operating receivables		299,990	352,222
Changes in operating liabilities		5,252	104,705
Cash flows from operating activities		**145,766**	**346,824**
Investing activities			
Acquisition of investment properties		-50,157	-62,000
Investments in investment properties		-178,309	-444,612
Sale of properties		154,704	452,054
Acquisition of associates/joint ventures		-	-20,908
Investments in associates/joint ventures		-11,018	-
Reimbursement of contributions from associates/joint ventures		-	-
Dividends from associates/joint ventures		63,500	72,100
Lending to associates/joint ventures		-215,942	-110,148
Repayments from associates/joint ventures		-	53,482
Investments in financial assets		-290,631	-
Sale of financial assets		42,078	152,547
Dividends from financial assets		5,534	-
Cash flows from investing activities		**-480,241**	**92,515**
Financing activities			
Dividend paid		-47,842	-449,632
Shareholder contributions, non-controlling interests		168,240	-
Dividend paid, non-controlling interests		-62,340	-
Realised derivatives		-	466
Recognised interest-bearing liabilities		502,969	-
Repayment of interest-bearing liabilities		-497,952	-114,523
Cash flows from financing activities		**63,075**	**-563,689**
Cash flows for the year		**-271,400**	**-124,350**
Cash and cash equivalents at start of year		*399,479*	*523,829*
Cash and cash equivalents at year-end		**128,079**	**399,479**

ACCOUNTING POLICIES AND NOTES

Note 1. Accounting policies

General information

Slättö Value Add I AB, corporate registration number 556994-4464, with its registered office in Stockholm, Sweden, is the parent company of a corporate group with subsidiaries, as stated in Note 43 below.

The Parent Company of Slättö Value Add 1 AB is Slättö VAI Partners AB, corporate registration number 559262-3036. Brofund Group AB, corporate registration number 556932-0541, is the highest Group parent for which consolidated financial statements are prepared.

Slättö Value Add I AB's offices are located at Grev Turegatan 19, 114 38 Stockholm, Sweden.

The annual accounts were approved by the Board of Directors on the date indicated by their electronic signatures and will be presented for adoption at the 2024 Annual General Meeting.

Basis of preparation of the financial statements

The consolidated financial statements for the Slättö Group ('Slättö') were prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups, as well as International Financial Reporting Standards (IFRS) and interpretations from the IFRS Interpretations Committee (IFRS IC) as adopted by the EU.

Preparing financial statements that are IFRS-compliant requires the use of a number of key estimates for accounting purposes. The financial statements were prepared on a going concern basis. This requires management to make certain assessments when applying the Group's accounting policies. The areas that involve a high degree of assessments that are complex or such areas where assumptions and estimates are of material importance to the consolidated accounts are specified in Note 2.

The Parent Company applies the same accounting policies as the Group except in the cases stated in the 'Parent Company accounting policies' section below. The differences between the policies applied by the Parent Company and those applied by the Group are a result of restrictions in the ability to apply IFRS in the Parent Company due to the Swedish Annual Accounts Act and, in some cases, applicable tax regulations.

Reporting currency

The Group's reporting currency is Swedish kronor (SEK), which is the Parent Company's functional currency. Unless otherwise stated, all figures are stated in thousands of SEK. The Group's business is focused on Sweden and the extent of transactions in currencies other than Swedish kronor is very limited.

New standards and interpretations that entered into force in 2023

New or amended standards and interpretations that entered into force on 1 January 2023 and affected the financial reporting include Presentation of Financial Statements (IAS 1).

New standards and interpretations yet to be applied by the Group

New standards that enter into force on 1 January 2024 have not been applied early and are not expected to have material impact on the Group's financial statements

Consolidated financial statements

All subsidiaries are all companies (including structured companies) over which the Group has control. The Group controls a company when it is exposed, or has rights, to variable returns from its holding in the company and is able to affect those returns via from its influence in the company.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.
The proportion of equity attributable to owners with non-controlling interests is recognised as a specific item in equity, separate from equity attributable to Parent Company shareholders. In addition, a specific disclosure is provided about such a share of the profit or loss for the period.

Intra-group transactions, balance sheet items, and income and costs from transactions between Group companies are eliminated.

Correction of errors

Material prior period errors are corrected in the first financial reports presented after the discovery of the error. This is made by restating the comparative figures from the prior period(s) presented in which the error occurred or, if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

Business combinations versus asset acquisitions

Acquisitions of companies may be classified either as a business combination or an asset acquisition. This is an individual assessment that is made for each individual acquisition. Company acquisitions whose primary purpose is to acquire a company's real property, and where the company's management organisation and administration, where applicable, are of lesser significance to the acquisition, are classified as asset acquisitions. Other corporate acquisitions are classified as business combinations.

Foreign currency translation

Transactions and balance sheet items

Transactions in foreign currencies are translated into the functional currency at the rate in effect on the transaction date. Exchange rate gains and losses arising from the payment of such transactions and from the conversion of monetary assets and liabilities denominated in foreign currencies at the rate on the balance sheet date are recognised in operating profit in the income statement.

Leases

Leases in which the Group is the lessor are classified as finance leases or operating leases. Leases in which the risks and rewards incidental to ownership in all material respects are borne by the lessor are classified as operating leases. Leases attributable to investment properties are regarded as operating leases.

Leases in which the Group is the lessee are recognised in accordance with IFRS 16 Leases, which means that assets and liabilities attributable to all leases, with some exceptions, are recognised in the balance sheet as right-of-use assets.

At year-end, the Group had no major leases.

Borrowing costs

In the consolidated accounts, borrowing costs are included in the cost of buildings under construction (project properties and properties held for development, as well as investment properties under construction, for lengthier projects). In general, borrowing costs that are added to cost are restricted to assets that take a significant period of time to complete, which, for the Group, includes the construction of project properties and properties held for development and investment properties under construction. Interest expense is included in cost until the date when the building is completed.

Segment reporting

The Group's operations are divided into operating segments based on which parts of the operations are monitored by the Company's chief operating decision maker (the 'management approach' or the management perspective). Group management assesses that the Group has one operating segment; fund activities. This assessment is based on the reporting that Group management obtains to monitor and analyse the business and the information obtained to take strategic decisions.

Dividends

Dividends to Parent Company shareholders are recognised as a liability in the consolidated financial statements in the period in which the dividend was approved by the Parent Company shareholders.

Note 2 Critical accounting estimates and judgements

Estimates and judgements are evaluated continually and based on historical experience and other factors, including expectations of future events that are deemed reasonable given the prevailing conditions.

The Group makes estimates and assumptions about the future. The estimates for accounting purposes that result from these will, by definition, rarely correspond to the actual result. Estimates and assumptions that constitute a significant risk of material adjustments to the carrying amounts of assets and liabilities over the coming financial year are detailed below.

Classification of project properties, properties held for development and investment properties

When a property is acquired, an assessment is made as to whether the property should be developed or used as an investment property. This assessment affects the Group's profit or loss and financial position as different kinds of properties are treated differently in the accounts. Properties that are to be developed and are at an early stage are project properties or properties held for development. Project properties and properties held for development are recognised as inventories when the intention is to sell the properties on completion. Such properties are measured at the lower of cost and net realisable value. Investment properties, on the other hand, are held in order to generate rental income and increases in value. Investment properties are measured at fair value, with any changes in value through profit or loss.

The Group assesses each property individually to determine whether the purpose is to develop and sell housing units, either as rental units or tenant-owned apartments, or whether it is to own the properties in the long term to generate rental income and increases in value.

Note 3 Revenue breakdown

Accounting policy
Revenue recognition

Rental income
The Group's investment properties are let to tenants under operating leases. Rental income in property management is announced in advance and recognised in the period to which the rent relates. Rental income from investment properties is recognised on a straight-line basis in accordance with the terms and conditions of the applicable leases. The Group is of the opinion that the service provided to tenants is an integral part of the rent, and all remuneration is therefore recognised as rent. Advance rent is recognised as deferred income.

Income, project development
The Group has identified a distinct performance obligation in the service agreement: project management of contracts in residential development projects. Project management is charged as fixed remuneration over the term of the projects and compensation for costs incurred in the projects. The amount of such remuneration is regulated in service agreements and invoiced quarterly throughout the project. Viewed over the course of a project, roughly half of the remuneration is paid out during the development phase and roughly half during the implementation phase. Revenue is recognised once the customer obtains control and over the term of the agreement, since the customer simultaneously receives and consumes the benefit of the services provided by the Company. The process towards completion is monitored continually via assessment of the project's size in relation to the length and fulfilment of the agreement. Revenue from project management is recognised as income, project development.

Income and profit or loss from residential project development
The enters into agreements with tenant-owner associations regarding the construction of residential units. The Group has made the assessment that there is a controlling influence over these tenant-owner associations. The tenant-owner associations are therefore consolidated until such time as the end customer has taken over the residential unit. For handovers that take place gradually over a period, an assessment is made along with other factors of when controlling influence no longer exists. One key factor in this assessment is whether the majority of the end customers have taken over their residential units. Income from residential development for tenant-owner associations is recognised once the end customer obtains control of the unit, which occurs when they take possession of it.

Income from property sales
Revenue from the sale of properties is recognised on the date of taking possession unless the purchase contract contains specific provisions. Sales of investment properties via companies are netted regarding underlying property price and calculated tax. Profit or loss from the sale of investment property is recognised as changes in value and concern the difference between the selling price received less selling costs, calculated tax and carrying amount in the most recent financial statement, adjusted for investments made following the most recent financial statements.

	01-01-2023 12-31-2023	**01-01-2022 12-31-2022**
Rental income	11,566	8,896
Revenue, other project development	41,437	16,151
Other income	7,487	4,712
Total	**60,490**	**29,759**

Note 4 Contractually agreed future rental income

In terms of accounting, the Company's leases are treated as operating leases. The leases relate to the letting of commercial premises and homes. The table below shows undiscounted payments to be received annually from the Group's leases over the next few years:

	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Lease payments within 0–1 year	11,262	8,849
Lease payments within 1–2 years	5,395	6,208
Lease payments within 2–3 years	4,894	4,060
Lease payments within 3–4 years	2,956	3,789
Lease payments within 4–5 years	2,164	1,582
Lease payments after 5 years	3,744	3,159
Total	**30,414**	**27,647**

Variable payments included in the Group's profit for the year totalled SEK 979 thousand (207).

The table below illustrates the maturity structure for the Group's commercial properties. All residential leases fall due after one month.

	Number of leases	Lease value
2024	10	3,167
2025	5	834
2026	3	1,752
2027	1	1,057
2028	-	2,164
2029+	2	-
Total	**21**	**8,973**
Residential units	-	-
Total	**21**	**8,973**

Note 5 Operating expenses by type of cost

Property expenses	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Operating and maintenance costs	-7,144	-9,452
Property tax	-648	-695
Administrative expenses	-3,508	-4,365
Total	**-11,300**	**-14,512**

Central administration	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Management fee, Group companies	-29,439	-28,237
Other services, Group companies	-29	-10,191
Audit, legal and consultancy fees	-1,934	-12,381
Accounting services	-35	-4,850
Other costs	-31,950	-137
Total	**-63,387**	**-55,796**

Expenses, project properties and properties held for development	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Expensed projects	-15,585	-
Expenses, other project development	-39,675	-17,492
Total	**-55,260**	**-17,492**

The Group had no employees during the financial year or in the previous financial year.

Note 6 Disclosures on fees and expenses to auditors

	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Ernst & Young AB		
auditing assignments	-976	-1,717
tax advisory services	-	-
other assignments	-35	-137
Total	**-1,011**	**-1,854**
KPMG		
auditing assignments	-958	-
tax advisory services	-	-
other assignments	-	-
Total	**-958**	**-**

The audit assignment includes the statutory audit of the annual accounts and consolidated accounts as well as the administration of the company by the Board of Directors and CEO and other audits and reviews carried out under an agreement or contract.
This includes other duties that are incumbent on the Company's auditors and the provision of advice or other assistance

Note 7 Profit/loss from investments in associates/joint ventures

	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Share in profits from associates/joint ventures	-47,829	-9,249
Profit/loss on divestment	-	56,127
Total	**-47,829**	**46,878**

Note 8 Profit/loss from property sales

	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Profit/loss from property sales	-4,484	-
Total	**-4,484**	**-**

Note 9 Finance income

	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Interest income	66,254	1,764
Interest income, Group companies	-	-
Interest income, associates/joint ventures	12,001	24,886
Other finance income	47	468
Total	**78,302**	**27,118**

Note 10 Finance costs

	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Interest expense	-53,074	-45,561
Interest expense, Group companies	-	-1,492
Interest expense, associates/joint ventures	-326	-
Accrual of borrowing costs	-3,825	-5,377
Other finance costs	-418	-1,732
Total	**-57,642**	**-54,162**

Note 11 Change in value of investment properties

	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Changes in value	30,475	155,970
Total	**30,475**	**155,970**

Note 12 Changes in value of financial instruments

	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Profit/loss on divestment		
Realised value changes from sale	-	19,392
Unrealised value changes, receivables/other securities	88,362	-32,439
Unrealised changes in the value of derivatives	-23,704	-507
Total	**64,658**	**-13,554**

Note 13 Tax

Accounting policy

Tax expense for the period includes current and deferred tax. Current tax expense is calculated based on the tax rules that had been enacted or substantively enacted at the balance sheet date in those countries in which the Parent Company and its subsidiaries operate and generate taxable income.

Deferred tax is recognised in full using the balance sheet method, on all temporary differences that arise between the taxable value of assets and liabilities and the carrying amount. Temporary differences are not considered if they arise as a result of a transaction that constitutes the first reporting of an asset or liability that is not a business combination and which, at the time of the transaction, does not affect either accounting profit or taxable profit. Nor are temporary differences taken into account that are related to participations in subsidiaries that are not expected to be reversed in the foreseeable future. The valuation of deferred tax is based on how carrying amounts of assets or liabilities are expected to be realised or settled.

Deferred tax assets on loss carryforwards are recognised insofar as it is likely that future tax surpluses will be available, against which deficits can be utilised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities, the deferred tax assets and liabilities relate to taxes charges by a single tax authority and refer to either the same tax entity or different tax entities and there is an intention to settle the balances through net payments.

Estimates and judgments

Deferred tax is recognised using the balance sheet method, on temporary differences that arise between the taxable value of assets and liabilities and their carrying amounts in the consolidated accounts. The Group recognises deferred tax assets based on management's estimates about future tax surpluses, influenced by the tax rules that apply in the jurisdictions in which the Company operates. However, the outcome may differ due to changes in tax rules and the business climate.

Recognised in profit or loss	**1/1/2023 12/31/2023**	**1/1/2022 12/31/2022**
Current tax		
- tax on profit for the year	-	-518
- tax attributable to previous periods	-232	-
Deferred tax		
- relating to temporary differences on real property	-15,909	13,369
- relating to financial instruments	4,798	-
- relating to untaxed reserves	-	-68
- relating to capitalised loss carryforwards	-	-
Total	**-11,342**	**12,783**

Reconciliation of effective tax	**1/1/2023 12/31/2023**	**1/1/2022 12/31/2022**
Profit/loss before tax	-5,978	104,209
Nominal tax at the applicable tax rate (20.6%)	1,232	-21,467
Current tax attributable to previous years	-232	-
Tax effect of non-deductible expenses	-16,983	-2,141
Tax effect of non-taxable income	19,281	17,106
Tax effect, loss carryforwards	2,068	-
Adjustment for temporary differences related to previous years	-10,470	20,545
Tax effect of restrictive interest deductions	-6,238	-4,679
Tax effect of unrecognised temporary differences	-	3,419
Total	**-11,342**	**12,783**

Deferred tax liabilities	12/31/2023	12/31/2022
Relating to valuation of investment properties	55,588	32,278
Relating to financial instruments	1,651	12,748
Relating to untaxed reserves	1,134	2,238
Total	**58,374**	**47,264**

Total uncapitalised loss carryforwards were SEK 165,049 thousand (previous year: SEK 174,685 thousand). The loss carryforwards do not fall due at a specific point in time.

Change in deferred tax	12/31/2023	12/31/2022
Amount at start of year	47,264	61,116
Reported in profit or loss	11,110	-13,852
Amount at year-end	**58,374**	**47,264**

Over the year, no deferred tax was reported in other comprehensive income or equity.

Note 14 Investment properties

Accounting policy

Investment properties are held in order to receive rental income or an increase in value or a combination of these. The Group owns investment properties consisting of investment properties (cash flow-generating), investment properties under construction, and development rights held for future investment properties.

Investment properties are recognised at the date of acquisition at cost, which includes any costs incurred that are directly attributable to the acquisition. After they have been acquired, investment properties are recognised at fair value. Fair value is principally based on prices in an active market and constitutes the amount for which an asset could be transferred between well-informed parties that are independent of each other and have an interest in the transaction being completed. To establish the fair value of investment properties at the end of each period, all properties are measured. Investment properties are measured according to Level 3 of the fair value hierarchy in IFRS 13. See below regarding investment properties for a description of measurement models and assumptions on which the measurement is based.

Both unrealised and realised changes in value are recognised through profit or loss under changes in value of investment properties. Unrealised changes in value are calculated based on the measurement at the end of the period compared with the valuation at the start of the period, or the cost of the property if the property was acquired in the period, plus capitalised additional expenditures in the period. Gains or losses from the sale or disposal of investment properties consist of the difference between the selling price and carrying amount at the most recent measurement less transactions costs that occur in relation to the sale of investment properties.

Additional expenditure is added to the carrying amount only when it is probable that the future economic benefits associated with the asset will flow to the Group, and the asset's cost can be measured reliably. If the Group initiates investments in an existing investment property for continued future use as investment property, the property shall continue to be recognised as investment property. Interest expense is capitalised during the construction period in large projects. All other subsequent costs are recognised as expenses in the period in which they arise.

Repairs and maintenance are expensed when the expense occurs.

Estimates and judgements

In the valuation of investment properties, assessments and assumptions may have an impact on the Group's recognised profit or loss and financial position. Estimates and assumptions are made both in final cost forecasts and about future cash flows and in establishing discount factors (yield requirements). The estimates made affect the carrying amount in the statement of financial position for the item 'Investment properties,' while for investment properties owned by joint ventures, they affect the item 'Investments in associates and joint ventures'.

The Group tests the assumptions made and monitors market developments continually. A change in estimates can lead to a change in fair value and affect changes in value. Descriptions of valuation policies and material assumptions are provided below.

	12-31-2023	**12-31-2022**
Opening fair value	1,453,342	1,393,689
Asset acquisitions	50,157	-
Reclassifications from properties held for development	-342	-
Investment subsidies	-102,999	-
Investments in properties	178,309	296,100
Divestment of properties	-139,940	-396,141
Unrealised changes in value recognised in profit or loss	-8,248	159,695
Total	**1,430,280**	**1,453,343**

	12-31-2023		**12-31-2022**	
	Residential ui	**Commercial properties**	**Residential units**	**Commercial properties**
Opening fair value	1,357,564	95,778	1,251,245	142,444
Reclassification	-140,889	140,889	-	-
Asset acquisitions	-	50,157	-	-
Reclassifications from properties held for development	-342	0	-	-
Investment subsidies	-102,999	-	-	-
Investments in properties	174,670	3,639	291,202	4,898
Divestment of properties	-16,309	-123,631	-309,442	-86,700
Unrealised changes in value recognised in profit or loss	2,024	-10,272	124,559	35,136
Total	**1,273,719**	**156,561**	**1,357,564**	**95,778**

Investment properties (cash flow-generating)

Those of the Group's properties that are classified as investment properties (cash flow-generating) are recognised at the time of acquisition at cost, including charges directly attributable to the acquisition. After the acquisition, they are recognised at fair value in accordance with IAS 40, according to Level 3 of the fair value hierarchy.

Investment properties under construction

Investment properties under construction refer to properties under development that are intended to be managed by the Group with the purpose of generating rental income. A property is classified as an investment property under construction as of the date when the Group decides that the property will be used to generate future rental income. If the fair value of these properties cannot be measured reliably initially, the properties are measured at accumulated cost, including accrued production cost. Once the criteria and terms are met for the properties to be used appropriately and their value can be reliably estimated, the properties are recognised at fair value as according to IAS 40.

To establish the fair value of investment properties under construction, a valuation is made based on external ex-ante valuations and the Group's estimate of remaining costs for the project. For valuation assumptions, see below.

External valuation

All properties in the Group's portfolio are externally valued at least once a year by independent authorised property appraisers with recognised qualifications, with the exception of properties for which sales agreements have been signed. Over the year, the external valuation was performed by CBRE.

On-site inspections of all properties were performed at least once from 2021 to 2023. The properties were further inspected on site in connection with major investments or other changes that significantly affected the value of a property.

Independent property valuations are based on the following valuation data:
- Quality-assured information concerning condition, leases, running and maintenance costs, site leasehold agreements, vacancies, planned investments and an analysis of current tenants.
- Current assessments of location, rent trends, vacancy rates and yield requirements for relevant markets as well as normalised running and maintenance costs.
- Information from public sources concerning the land area of the properties and local development plans for undeveloped land and properties held for development.
- Inspections of the properties are conducted regularly. The aim of these inspections is to assess the properties' overall standard and condition.
- Ex-ante valuations use estimated area, rent levels, rent supplements and estimated operating expenses. If there is no lease, estimated market rent is used for commercial properties and presumptive rent for residential properties.

Valuations are made according to Level 3 of the fair value hierarchy and based on a cash flow analysis, whereby a property's value is based on the present value of forecast cash flows and residual value over the calculation period of ten years.

Valuation assumptions
Market values are primarily determined using an income-based valuation method based on market-adjusted cash flow analyses with a calculation period of ten to 16 years, which is chiefly applicable to investment properties that operate normally. The cost of capital and yield requirements are based on the appraisers' experience of minimum returns in the market for comparable properties. Forecast cash flows consider the object's use, age and maintenance status. Rental payments are based on existing leases and when leases expire, market level rates are adopted. Costs for operation, maintenance and administration are based on actual costs combined with forecasts, assessments and experience from comparable objects. Yield requirements and the cost of capital used in the calculation were derived from comparable transactions in the property market. Important factors when selecting minimum returns are location, rent level, vacancy rate and the property's condition. Future investments are based on current needs.

Summary of valuation assumptions	**12-31-2023**	**12-31-2022**
Number of valuation items	1	1
Valuation date	12/31/2023	12/31/2022
Inflation assumption	2.0%	2.0%
Calculation period	10 years	10 years
Yield	7.15%	6.9%
Long-term vacancy rate	7.3%	6.5%
Market rent	250–2243 SEK/sqm	465–1,857 SEK/sqm
Operation & maintenance costs	343 SEK/sqm	281 SEK/sqm

Investment properties are measured at fair value and categorised according to IFRS 13 at Level 3 of the fair value hierarchy. The valuations were made based on Level 3 of the fair value hierarchy, as it is deemed there are no observable data that allow measurement according to Levels 1 or 2. Changes in non-observable data used in the valuations have been analysed by the Company's management compared with available information from planned and completed transactions and information from independent appraisers. The Company assessed that the valuations and the properties have taken account of the optimum and maximum benefit.

Sensitivity analysis

Property values are estimates made using generally accepted principles based on certain assumptions

For the investment properties measured according to Level 3 of the fair value hierarchy, there are some non-observable data in which changes in assumptions could affect the value of the properties. The yield requirement is the single most important parameter in the measurement. Residential units generally have a lower yield requirement depending on security, cash flows and low risk.

The table below describes the effect on the measurement in the event of changes in key assumptions. If the input data were modified, the value of the properties would be affected as follows:

	Change +/-	Change in value in
Yield	0.25%	-1,617/1,734
Rental income	5%	6,307/-6,307
Operating expenses	5%	-2,474/2,474
Vacancy rate	2%	-2,566/2,566

Note 15 Investments in associates/joint ventures

Accounting policy

Companies over which the Group has significant influence but not control are recognised as associates. This is presumed to be the case where the holding amounts to at least 20 percent but no more than 50 percent of the votes. It is also presumed that such ownership is part of a long-term relationship and that the holding shall not be recognised as a joint arrangement.

Joint arrangements refer to companies in which the Group, together with other parties by means of agreements, has joint control over the business. A holding in a joint arrangement is classified either as a joint business or a joint venture, depending on the contractual rights and obligations of each investor. In the Group, holdings were classified as joint ventures mainly because the Group have rights to the net assets instead of a direct right to assets and obligations relating to liabilities.

Associates and joint ventures are recognised in accordance with the equity method. When applying the equity method, the investment is initially measured at cost in the consolidated statement of financial position and the carrying amount is subsequently increased or reduced to take account of the Group's share of profit or loss and other comprehensive income from its holdings after the acquisition date.

An assessment is made at the end of each reporting period as to whether the investments in associates or joint ventures are impaired. If this is the case, the impairment loss is calculated, corresponding to the difference between the recoverable amount and the carrying amount. Such impairment is recognised under 'Profit/loss from investments in associates/joint ventures' in the income statement.

Estimates and judgements

Associates are companies over which the Group has significant influence, which is presumed to be the case where the holding amounts to at least 20 percent and a maximum of 50 percent of the votes. It is presumed that such ownership is part of a long-term relationship and that the holding is not a joint arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets. Company management analyses the extent of influence that the Group has over these companies and establishes whether or not it has significant influence. This is established based on the percentage of ownership, board representation and contractual terms. It is also assessed whether the Company has control despite owning 50 percent or less of the shares. The Group controls a company when it is exposed, or has rights, to variable returns from its holding in the company and is able to affect those returns through its power to direct the company.

	12-31-2023	12-31-2022
Opening cost	367,538	641,107
Acquisitions	-	30
Adjustment of opening value	1,184	-
Conditional shareholder contributions	17,060	14,000
Unconditional shareholder contributions	18	2,694
Share in profit/loss	-47,829	-9,249
Dividend	-63,500	-72,000
Sales/Divestments	-	-209,044
Closing accumulated cost	**274,470**	**367,538**

			Percentage of equity*		Carrying amount	
Company name	**Corp. reg. no.**	**Registered office**	**12-31-2023**	**12-31-2022**	**12-31-2023**	**12-31-2022**
Joint ventures						
Ringtorps Projekt AB	556987-1022	Lund	50%	50%	11,181	5,761
Strömbrytaren Holding AB	559116-6391	Stockholm	50%	50%	71,581	86,493
Slättö Fastpartner II AB	559211-9720	Stockholm	50%	50%	469	53,693
Klinga Logistikpark Holding 2 AB	559360-3086	Stockholm	50%	50%	107,993	130,395
Fyrislundhuset Holding AB	559215-4446	Stockholm	50%	50%	22,691	31,599
Fondamentor Skolfastigheter AB	559226-2991	Stockholm	50%	50%	8,645	8,291
Associates						
Botvid Holding AB (publ)	559103-1983	Stockholm	22%	22%	51,356	50,770
Ostia Fastighetsutveckling i Norrköping AB	559245-8060	Norrköping	33%	33%	554	536
Total carrying amount					**274,470**	**367,538**

The joint venture structures within the Group have various purposes, but all are aimed at managing some form of risk and are also expected to generate good returns. The Group's JV partners are also recognised as capable property developers and contribute valuable skills in other respects. In addition, it may, for example, involve making an investment less capital intensive to suit the fund's overall portfolio and to find partners that can assume production and development risk.

The Group also owns 50 percent of shares in Strömbrytaren Holding AB. The JV structure is owned together with PEAB and includes warehouse and logistics properties in Norrköping, Sweden. The properties are currently intended for warehousing and industrial purposes, which generate regular cash flows. A positive planning decision was received in 2018 for the establishment of a local development plan for residential units. It is estimated that the local development plan will permit around 200,000 sqm of GFA of development rights.

The Group has a joint venture together with local contractors to develop a new logistics area in Norrköping, Sweden. The project is called Klinga Logistikpark and is expected to comprise around 100,000 sqm of lettable area with a property value of approximately SEK 1.2 billion upon completion.

The Group also owns 22.4 percent of shares in Botvid Holding AB. Botvid Holding AB is a property company founded with the business concept of managing and improving properties in different segments and locations.

The Group's share of net assets in associates and joint ventures generally corresponds to the carrying amount of the investments. The Group' material joint ventures include Strömbrytaren Holding AB, Klinga Logistik Park Holding AB and the associate Botvid Holding AB. Their summary income statements and balance sheets are presented below.

Income statement	Botvid Holding AB (publ) 2023	Botvid Holding AB (publ) 2022	Klinga Logistikpark Holding AB 2023	Klinga Logistikpark Holding AB 2022
Net sales	8,000	8,471	73	-
Profit/loss before changes in value and tax	19,662	27,153	-17,465	-1,494
Profit/loss for the year	1,429	-15,836	-17,494	24,347

Income statement	Strömbrytaren Holding AB 2023	Strömbrytaren Holding AB 2022
Net sales	33,492	22,061
Profit/loss before changes in value and tax	-6,435	8,550
Profit/loss for the year	-57,635	-32,909

Balance sheet	Botvid Holding AB (publ) 12-31-2023	Botvid Holding AB (publ) 12-31-2022	Klinga Logistikpark Holding AB 12-31-2023	Klinga Logistikpark Holding AB 12-31-2022
Assets	312,011	305,739	537,932	423,347
Equity	228,685	227,256	107,993	125,487
Liabilities	83,326	78,483	429,938	297,859

Balance sheet	Strömbrytaren Holding AB 12-31-2023	Strömbrytaren Holding AB 12-31-2022
Assets	551,915	510,966
Equity	143,163	175,892
Liabilities	408,753	335,074

Botvid Holding AB (publ)
Over the year, the Group received a dividend of SEK 0 thousand (72,100) from Botvid Holding AB (publ).

Strömbrytaren Holding AB
The Group did not receive any dividend from Strömbrytaren Holding AB in the current or previous years.

Klinga Logistikpark Holding AB
The Group did not receive any dividend from Klinga Logistikpark Holding AB in the current or previous years.

In the Group, the share in profit/loss is allocated according to the profit sharing provisions in the shareholders' agreement and not according to ownership interest.

Note 16 Receivables from associates/joint ventures

Non-current receivables	12-31-2023	12-31-2022
Opening value	-	-
Change for the year	86,361	-
Total	**86,361**	**-**

Non-current receivables from associates/joint ventures comprise receivables from the following companies:

	12-31-2023	12-31-2022
Strömbrytaren AB	86,361	-
	86,361	**-**

Current receivables	12-31-2023	12-31-2022
Opening value	336,664	465,639
Reclassification	-181,828	-
Change for the year	97,271	-128,975
Total	**252,107**	**336,664**

Current receivables from associates/joint ventures comprise receivables from the follow ing companies:

	12-31-2023	12-31-2022
Strömbrytaren Holding AB	1,603	37,828
Fyrislundhuset Holding AB	-	13,988
Klinga Logistikpark Holding AB	83,534	75,529
Klinga Logistikpark Holding 2 AB	89,253	2,000
Fondamentor Skolfastigheter AB	74,281	22,151
Slättö Sveaviken Holding 1 AB	-	181,828
Ostia Fastighetsutveckling i Norrköping AB	3,435	-
Other	-	3,340
Total	**252,107**	**336,664**

None of the receivables from associates/joint ventures w ere regarded as doubtful.

Note 17 Financial assets measured at fair value/Other securities held as non-current assets

	12-31-2023	12-31-2022
Opening value	188,013	222,067
Acquisitions	290,631	156,703
Changes in value	22,150	-
Received via dividends	-	31,310
Sales	-11,400	-222,067
Total	**489,278**	**188,013**

Note 18 Project properties and properties held for development

Accounting policy

Project properties and properties held for development are properties controlled by the Company, which are at an early stage prior to the start of a construction project. They are valued using the lowest value principle, which involves a property being recognised at the lower of cost and net realisable value. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Directly incurred expenses and a reasonable portion of indirect expenses attributable to project properties and properties held for development are added to the cost and measured at the lower of cost or net realisable value.

Properties not yet built or built and intended for the production of tenant-owned apartments and land for project properties are classified as project properties and properties held for development. Properties held for development are recognised in accordance with IAS 2 Inventories.

Project properties and properties held for development are stated at cost and recognised as assets in the accounting period in which possession of the property is taken.

	12-31-2023	12-31-2022
Opening value	79,994	61,477
Acquisitions	-	62,699
Investments	99,680	120,983
Reclassifications to investment properties	342	-
Divestments/Expensed projects	-21,936	-165,165
Total	**158,081**	**79,994**

The Group's properties that are intended for sale are referred to as project properties and properties held for development.

Note 19 Trade receivables and rent receivables

	12-31-2023	12-31-2022
Trade receivables	54,454	18,422
Credit loss allowance	-900	-917
Closing carrying amount	**53,554**	**17,505**

Provision for doubtful trade receivables	**12-31-2023**	**12-31-2022**
Provision at start of year	-917	-848
Provisions from divested companies	-	-
Recovered trade receivables	104	-
Change/provision for the year	-87	-69
Provision at year-end	**-900**	**-917**

Gross trade receivables by age	**12-31-2023**	**12-31-2022**
Trade receivables not due	325	17,280
Less than 30 days past due	49,612	4
31–60 days past due	7	6
More than 61 days past due	4,510	1,132
Total gross trade receivables	**54,454**	**18,422**

Impairment of trade receivables by category	**12-31-2023**	**12-31-2022**
Trade receivables not due	-	-
Less than 30 days past due	-	-
31–60 days past due	-	-7
More than 61 days past due	-900	-910
Total impairment losses on trade receivables	**-900**	**-917**

The Company reported a profit of SEK 17 thousand (loss -69) on the impairment of trade receivables.

Note 20 Other receivables

	12-31-2023	**12-31-2022**
VAT	3,311	7,077
Receivables relating to property sales	353,517	366,002
Receivable from the sale of shares	-	66,227
Tax account	6,113	3,097
Investment subsidies	102,999	
Other items	33,285	5,007
Total	**499,226**	**447,410**

Receivables relating to property sales refer to receivables from purchasers where the transaction has not yet been finally settled. The Group has not received any pledged collateral for receivables.

Note 21 Cash flows and cash and cash equivalents

Accounting policy

Statement of cash flows

The statement of cash flows is prepared in accordance with the indirect method. Recognised cash flows only include transactions that have resulted in incoming or outgoing payments.

Cash and cash equivalents

In both the balance sheet and the statement of cash flows, cash and cash equivalents include cash funds and bank balances.

	12-31-2023	**12-31-2022**
Interest paid and received		
Interest paid	-52,962	-47,053
Interest received	63,243	26,650
Total	**10,281**	**-20,403**
Adjustment for non-cash items		
Share of profits of joint ventures	47,829	-46,878
Accrual of capitalised borrowing costs	3,825	-
Change in accrued interest	-14,364	-
Other adjustments	6,978	-6,725
Total	**44,268**	**-53,603**
Cash and cash equivalents		
Cash and bank balances	128,079	399,479
Total	**128,079**	**399,479**

Note 22 Share capital

Accounting policy

Ordinary shares are classified as equity. Issued preference shares are also classified as equity if it is not compulsory for them to be redeemable and the dividend requires a decision by a general meeting of the Company. Transaction costs that are directly attributable to the issue of new ordinary shares or share w arrants are recognised, net of tax, in equity as a deduction from the proceeds from the issue.

Share capital includes registered share capital. The number of shares is 555,878 (555,878) and the quota value is SEK 1 (1) per share. In addition to the difference in the number of votes per share, there may be financial differences betw een the share classes. Such characteristics refer to the right to repayment of contributed capital, the right to interest on contributed capital and the right to a proportion of any excess returns. Consequently, by ow ning one or more share classes, a shareholder has a certain right to the Company's equity and profit or loss, as stated in the w aterfall provision in the shareholders' agreement betw een Slättö Förvaltning and the investors. For a detailed description, see the Articles of Association.

Note 23 Interest-bearing liabilities

	12-31-2023	12-31-2022
Non-current liabilities		
Liabilities to credit institutions due for payment betw een one and five years after the balanc	40,000	-
Bond loans	400,000	400,000
Dow n payments	100,000	75,000
Other interest-bearing liabilities	6,625	41,263
Accrual of borrow ing costs	-4,065	-7,490
	542,560	**508,773**
Current liabilities		
Liabilities to credit institutions	537,708	194,132
Bond loans	-	400,000
Other interest-bearing liabilities	-	9,411
	537,708	**603,543**
Total	**1,080,268**	**1,112,316**

The average effective interest rate on the Group's interest-bearing loans w as 8.86 percent.

The Group is subject to terms for external borrow ing that mainly relate to covenants related to equity/assets ratio, loan-to-value ratio and interest coverage ratio. The Group met all covenants as at the reporting date and over the year. Most covenants are reported quarterly, but a few are reported annually or every six months.
The follow ing applies to the Group's bond loans:
Slättö Value Add I AB – equity/assets ratio (minimum of 35 percent) and interest coverage ratio (minimum of 1.5x)

Note 24 Financial risks and finance policy

Through its operations, the Group is exposed to a number of different financial risks. The main risks to which the Group is exposed are interest rate risk, credit risk and refinancing and liquidity risk. The Group's overall risk management policy focuses on the unpredictability of financial markets and aims to minimise potential unfavourable effects on the Group's financial results.

Interest rate risk

Interest rate risk refers to the way in which changes in interest rates impact the Group's net financial income/expenses and the value of financial instruments in the event of changes in market rates. The Group's loan portfolio consists of varied sources of financing; bond loans, construction loans and capital from investors (fund structure). The Group's financing activities are managed in accordance with the finance policy established by the Board of Directors. Interest rate risk is limited through continual access to various sources of financing and the ability to choose the most favourable source of financing. The risk of increased interest expenses resulting from a change in market rates is difficult to mitigate during the construction phase, as interest rate hedging is not normally applied to project finance. However, the risk can be managed using interest rate derivatives on completion, primarily interest rate swaps and interest rate caps. There were no interest rate derivatives in the Group at year-end.

The loans have interest rates from 5.9 to 11.6 percent and the average interest rate is 8.9 percent.

Sensitivity analysis

If interest rates on borrowings were 100 basis points higher/lower on 31 December 2023 and all other variables were constant, the estimated profit/loss for the year before tax would have been SEK 9,762 thousand (9,940) lower/higher, chiefly as an effect of higher/lower interest rates for variable rate borrowings.

Credit risk

The Group's credit risk is mainly attributable to outstanding trade/rent receivables, promissory note receivables (receivables from associates/joint ventures) and cash and cash equivalents. Only banks and credit institutions with a credit rating of at least "A" from an independent rating agency are accepted. Losses on trade/rent receivables and promissory note receivables arise when customers are declared bankrupt or are unable to fulfil their payment obligations for other reasons.

A tenant's financial conditions are assessed when a lease is concluded. Individual tenants' inability to pay is offset by the large number of leases. Where appropriate, the Group also cooperates with the trade association Fastighetsägarna in residential rent negotiations. For warehouses and logistics properties (commercial properties), long-term leases are often signed with stable, long-term tenants. However, short-term leases also occur. To limit its exposure to the vacation of properties and rental losses, the Group aims to have long-standing customer relationships and to prioritise tenants with high creditworthiness. The Group continually endeavours to renegotiate existing leases to minimise risk in the short term. The vast majority of leases are also adjusted for inflation and linked to the CPI.

Other counterparties must provide documented evidence as proof of their ability to pay and have competitive business operations to enter into a lease with the Group. No credit limits were exceeded during the reporting period, and management does not anticipate any losses resulting from non-payment from these counterparties.

Liquidity and refinancing risk
The Group's ability to meet its financial obligations and its financial and operational development depend on various factors. If the Group does not have sufficient liquidity to meet its payment obligations, the Group must take measures, such as downsizing its operations, acquisitions and investments, delaying the completion of projects, divesting assets, refinancing liabilities or obtaining additional equity.

Liquidity risk is managed by ensuring that sufficient liquid assets are available to meet the payment commitments when they fall due and by monitoring the forecast cash flows continuously. The Group continually maintains liquidity plans for each individual project and investment and for the Company as a whole to ensure liquidity preparedness well in advance of the allocation of capital. The Group has overdraft facilities to manage temporary liquidity fluctuations.

The Group is dependent on external parties for refinancing. Refinancing risk refers to the risk of cash and cash equivalents not being available and of the inability to raise funding, wholly or in part, or at an increased cost. The Group manages refinancing risk by striving for a diverse loan portfolio with varying loan maturities. The Group works actively with several different banks to reduce its dependence on individual banks. The Group also has varied sources of financing; bond loans, construction loans and the Group's own balance sheet (fund structure). Loans are extended well in advance of maturity dates to reduce refinancing risk.

The table below provides a summary of future contractually agreed undiscounted payment flows relating to interest and amortisation/repayment of financial liabilities at the balance sheet date, 31 December 2023. Financial liabilities carrying variable interest have been calculated using the interest rate as at 31 December 2023. Liabilities are included in the period when repayment can be claimed at the earliest by the counterparty.

Group, as at 31 December 2023	Less than 1 year	1–2 years	2–4 years	4–5 years
Interest-bearing liabilities	607,040	552,026	-	-
Of which interest	*69,332*	*9,466*		
Other liabilities	120,631	-	-	-
Trade payables	4,137	-	-	-
Accrued interest expense	15,472	-	-	-
	747,280	552,026	-	-

Group, as at 31 December 2022	Less than 1 year	1–2 years	2–4 years	4–5 years
Interest-bearing liabilities	686,544	166,283	407,753	-
Of which interest	*83,000*	*57,510*	*7,753*	-
Other liabilities	22,920	-	-	-
Trade payables	7,345	-	-	-
Accrued interest expense	18,553	-	-	-
	735,362	166,283	407,753	-

The Group has no financial liabilities that fall due more than 5 years from the balance sheet date.

Financial agreements
The loans have interest rates from 5.9 to 11.6 percent and the average interest rate is 8.9 percent. The Group had unutilised loan commitments of SEK 83,292 thousand (136,868) as at 31 December 2023. Of total borrowings, 100 percent were borrowings with variable interest.

Management of capital
The Group's goal for the capital structure is to secure the Group's ability to continue as a going concern, so that it can continue generating returns for its shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to keep the cost of capital down. Existing fund rules regarding maximum indebtedness are considered, as well a general desire for effective capital use with various types of capital balanced with associated financial risks.

To maintain or adjust the capital structure, the Group can adjust the dividend to shareholders, repay capital to shareholders, issue new shares or sell assets to reduce debt.

Note 25 Financial assets and liabilities by category

Accounting policy

Financial instruments

Financial instruments recognised in the balance sheet include cash and cash equivalents, trade receivables, other non-current receivables, other securities held as non-current assets, other receivables (included in the item), receivables from Group companies, receivables from associates/joint ventures, accrued interest income and derivatives. Liabilities include trade payables, loan liabilities, liabilities to Group companies, other liabilities, accrued interest expense and derivatives. The Company does not apply hedge accounting.

Classification

The Group classifies its financial assets and liabilities under the following categories: receivables and liabilities measured at fair value through profit or loss, financial assets measured at amortised cost and financial liabilities measured at amortised cost. Classification depends on the purpose for which the financial asset or liability was acquired.

Receivables and liabilities measured at fair value through profit or loss

Financial receivables and liabilities measured at fair value through profit or loss are financial instruments that are held for trading or that, upon initial recognition, were identified as items measured at fair value through profit or loss.
A financial receivable or liability is classified under this category if it is acquired principally for the purpose of selling it in the near term. An instrument in this category is classified as current if it is expected to be settled within 12 months, otherwise it is classified as non-current. Derivatives and parts of other receivables are classified as financial items measured at fair value through profit or loss.

Financial assets measured at amortised cost

Financial assets measured at amortised cost are financial assets that fulfil the criteria for contractual cash flows and are held within a business model whose objective is to collect such contractual cash flows.
The Group's financial assets measured at amortised cost comprise trade receivables, other non-current receivables, receivables from Group companies, receivables from associates and joint ventures, cash and cash equivalents and other current receivables (included in the item) and interim receivables that constitute financial instruments.

Financial liabilities measured at amortised cost

Trade payables, interest-bearing liabilities, liabilities to associates/joint ventures, liabilities to Group companies and other current liabilities (included in the item) and interim liabilities that are financial instruments classified as financial liabilities measured at amortised cost.

Recognition and measurement

Financial instruments are initially recognised at fair value plus transaction costs, which applies to all financial assets that are not recognised at fair value through profit or loss. Financial assets measured at fair value through profit or loss are initially recognised at fair value, whereas attributable transaction costs are recognised in profit or loss. Financial assets are derecognised from the balance sheet when the right to receive cash flows from the instrument has expired or been transferred and the Group has transferred essentially all risks and benefits associated with the right of ownership. Financial liabilities are removed from the balance sheet when the obligation arising from the agreement has been fulfilled or is extinguished in another way.

Financial assets and liabilities measured at fair value through profit or loss are recognised after the date of acquisition at fair value. Financial assets measured at amortised cost and financial liabilities measured at amortised cost are recognised at amortised cost after the date of acquisition using the effective interest method.

Gains and losses as a result of changes in fair value relating to the category of financial assets and liabilities measured at fair value through profit or loss are recognised in profit or loss in the period when they occur and are included in profit or loss from property management.

Offsetting of financial instruments
Financial assets and liabilities are offset and recognised in the balance sheet at a net amount only when there is a legal right to offset the recognised amounts and an intention to settle them at a net amount or to realise the asset and settle the liability at the same time.

Impairment of financial instruments
The Group recognises a loss provision for expected credit losses on financial assets measured at amortised cost. Impairment of credit losses under IFRS 9 is forward-looking, and a loss provision is made when there is exposure to credit risk, usually upon initial recognition. Expected credit losses reflect the present value of all cash shortfalls attributable to default, either for the next 12 months or for the anticipated remaining term of the financial instrument, depending on asset class and credit impairment since initial recognition.

The simplified model for credit reserves is used for the Group's trade receivables, contract assets and lease receivables. In the simplified model, a loss reserve is recognised for the anticipated remaining duration of the claim or asset. Credit losses have historically not been material, which is why provisions are for immaterial amounts.

For cash and cash equivalents, the reserve is based on the banks' likelihood of default and forward-looking factors. The reserves are for immaterial amounts because of the short duration and high creditworthiness. The Group writes off a claim when it is deemed that there is no possibility of further cash flow.

Other receivables mainly consist of receivables from associates/joint ventures, receivables related to property transactions and receivables from Group companies. These receivables are analysed and expected credit losses are measured as the product of the likelihood of default, loss in the event of default and the exposure in the event of default. For credit-impaired assets and receivables, an individual assessment is made that takes account of historical, current and forward-looking information. The measurement of expected credit losses takes account of any collateral and other credit enhancements in the form of guarantees. The credit reserve for such receivables is an immaterial amount.

Classification of financial assets and liabilities **2023**

Group	**Financial assets at amortised cost**	**Financial assets/liabilities at fair value through profit or loss**	**Financial liabilities at amortised cost**
Assets			
Non-current receivables	958	-	-
Other securities held as non-current assets	115	489,279	-
Trade receivables	53,554	-	-
Accrued income	33,330	-	-
Other receivables	499,226	-	-
Cash and cash equivalents	128,079	-	-
Total	715,261	489,279	-
Liabilities			
Non-current interest-bearing liabilities	-	-	542,560
Current interest-bearing liabilities	-	-	537,708
Trade payables	-	-	4,137
Other liabilities	-	-	120,631
Accrued expenses	-	-	61,338
Total	-	-	1,266,374

Classification of financial assets and liabilities **2022**

Group	Financial assets at amortised cost	Financial assets/liabilities at fair value through profit or loss	Financial liabilities at amortised cost
Assets			
Non-current receivables	959	-	-
Other securities held as non-current assets	-	156,703	-
Trade receivables	17,505	-	-
Accrued income	23,885	-	-
Other receivables	478,719	-	-
Cash and cash equivalents	399,479	-	-
Total	920,547	156,703	-
Liabilities			
Non-current interest-bearing liabilities	-	-	508,773
Current interest-bearing liabilities	-	-	603,544
Trade payables	-	-	7,345
Other liabilities	-	-	22,920
Accrued expenses	-	-	45,781
Total	-	-	1,188,363

Fair value measurement and disclosures
The table below shows financial instruments measured at fair value based on how the classification according to the fair value hierarchy was made. The levels are defined as follows:

(a) Financial instruments at Level 1
Quoted prices (unadjusted) in active markets for identical assets or liabilities.

(b) Financial instruments at Level 2.
Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. quoted prices) or indirectly (i.e. derived from quoted prices).

In the 2022 and 2021 financial years, the Group only held financial assets measured at fair value.

	Level in the fair value hierarchy	2023-12-31	2022-12-31
Derivative instruments	2	-23,704	-
Financial assets at fair value	1	489,279	188,013
Total financial assets at fair value		**489,279**	**188,013**

The fair value of other receivables, comprising listed securities measured at fair value through profit or loss, is measured by using quoted share prices.

Note 26 Other current liabilities

	12-31-2023	12-31-2022
VAT liabilities	9,435	-
Dow n payments	16	16
Liability for contingent considerations	64,061	21,292
Approved dividend	46,558	-
Other items	560	1,612
Total	**120,631**	**22,920**

Note 27 Accrued expenses and deferred income

	12-31-2023	12-31-2022
Advance payment of rents	2,822	438
Other deferred income	-	2,050
Accrued project costs	2,077	21,311
Accrued interest expenses	15,472	18,553
Accrued audit costs	750	1,576
Provision for prepayment of invoices	16,860	
Other items	23,357	1,852
Total	**61,338**	**45,780**

Note 28 Financial liabilities attributable to financing activities

	01-01-2023	Reclassification	Cash inflow	Cash outflow	Non-cash items	12-31-2023
Liabilities to credit institutions	194,132		478,369	-97,875	3,082	**577,708**
Bond loans	792,510	7,490		-400,000		**400,000**
Other interest-bearing liabilitie	125,674	-9,412	25,000	-77	-34,560	**106,625**
Accrued borrow ing costs	-	-7,490	-400		3,825	**-4,065**
Total	**1,112,316**	**-9,412**	**502,969**	**-497,952**	**-27,653**	**1,080,268**

	01-01-2022	Reclassification	Cash inflow	Cash outflow	Non-cash items	12-31-2022
Liabilities to credit institutions	58,397		135,735		-	**194,132**
Bond loans	887,133			-94,623		**792,510**
Other interest-bearing liabilitie	75,077		50,598	-	-	**125,675**
Accrued borrow ing costs	-			-	-	**-**
Total	**1,020,607**		**186,333**	**-94,623**	**-**	**1,112,316**

Note 29 Pledged assets

	12-31-2023	12-31-2022
Property mortgages	1,008,996	322,900
Pledged shares in subsidiaries	-	518,470
Floating charges	10,000	10,000
Total	**1,018,996**	**851,370**

Note 30 Contingent liabilities

	12-31-2023	12-31-2022
Guarantees on behalf of associates and joint ventures	459,571	489,055
Conditional shareholder contribution	50	50
Total	**459,621**	**489,105**

In 2019, the Group's joint venture, Slättö Fastpartner Spånga AB, divested six properties, referring to part of Bromstenstaden in Spånga, Stockholm, Sweden. The transaction was made as a forward funding structure, which meant that the purchaser has taken possession of the properties prior to completion and is financing the implementation of the project. In connection with this transaction, the Group (the seller) has an obligation to build the properties and complete the ongoing project. The transaction will be finally settled upon completion, which is expected to occur in the second half of 2025.

In other respects, the Group has undertakings and obligations under contractual agreements with third parties, including contractors and municipalities.

The Group has undertakings in respect of some of its associates and joint ventures to finance ongoing projects in the form of shareholder loans or shareholder contributions, in addition to external financing.

Note 31 Related parties

	12-31-2023	12-31-2022
Shareholders		
Services purchased	-41,709	-57,070
Interest expense	-	-1,492
Receivables	-	-
Liabilities	3,139	-
Associates/joint ventures		
Services sold	-	-
Interest income	12,001	24,886
Interest expense	-326	-
Receivables	338,468	422,734
Liabilities	11,961	-

For a specification of Receivables on associates/joint ventures, see Note 16.

Over the year, the Group sold subscription rights in Logistea AB to the fund Slättö Value Add II for a total purchase price of SEK 31 million. The transaction was conducted on market terms.

Slättö Förvaltning AB performs services for the fund (Group) or companies owned by the fund. All transactions were conducted on market terms.

Note 32 Events after the end of the reporting period

In December 2023, it was resolved to make a dividend of SEK 47 million to investors, which was paid in the beginning of the first quarter of 2024.

In the first quarter of 2024, 1,193,455 shares in the listed company Fastpartner A were divested for a consideration of SEK 85.9 million in total, which resulted in capital gains of SEK 14.9 million.

PARENT COMPANY INCOME STATEMENT

Amounts in SEK thousand	Note	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Net sales			
Other operating income		26	59
Gross profit/loss		**26**	**59**
Central administration	34, 35	-40,142	-38,235
Operating profit/loss		**-40,116**	**-38,176**
Profit/loss from investments in Group companies	36	-162,565	19,431
Finance income	37	97,887	42,960
Finance costs	38	-108,465	-63,453
Profit/loss after financial items		**-213,258**	**-39,238**
Appropriations	54	67,640	8,018
Profit/loss before tax		**-145,618**	**-31,220**
Tax on profit for the year	39	-	-16,102
PROFIT/LOSS FOR THE YEAR		**-145,618**	**-47,322**

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

Belopp i TSEK	Note	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Profit/loss for the year		-145,618	-47,322
Other comprehensive income		-	-
COMPREHENSIVE INCOME FOR THE YEAR		**-145,618**	**-47,322**

PARENT COMPANY BALANCE SHEET **Amounts in SEK thousand**	**Note**	**12-31-2023**	**12-31-2022**
ASSETS			
Non-current financial assets			
Investments in Group companies	40	110,276	115,144
Investments in associates	41	554	536
Other non-current receivables	42	-	-
Total non-current financial assets		**110,830**	**115,680**
Total non-current assets		**110,830**	**115,680**
Current assets			
Current receivables			
Receivables from Group companies		1,408,414	494,510
Receivables from associates		3,435	3,384
Tax assets		43	43
Other receivables	43	189	38,637
Prepaid expenses and accrued income	44	15,302	53
Total current receivables		**1,427,384**	**536,627**
Cash and bank balances	45	107,324	218,780
Total current assets		**1,534,707**	**755,407**
TOTAL ASSETS		**1,645,537**	**871,087**

PARENT COMPANY BALANCE SHEET Amounts in SEK thousand	Note	12-31-2023	12-31-2022
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	46	556	556
Total restricted equity		**556**	**556**
Unrestricted equity			
Share premium account		1,049,257	1,049,257
Retained earnings	47	-684,146	-542,425
Profit/loss for the year		-145,618	-47,322
Total unrestricted equity		**219,493**	**459,510**
Total equity		**220,049**	**460,066**
Non-current liabilities			
Liabilities to credit institutions	48	396,313	393,035
Total non-current liabilities		**396,313**	**393,035**
Current liabilities			
Trade payables		3	-
Liabilities to Group companies		975,315	11,972
Other current liabilities	49	46,616	63
Liabilities to associates		18	-
Accrued expenses and deferred income	50	7,224	5,951
Total current liabilities		**1,029,175**	**17,986**
TOTAL EQUITY AND LIABILITIES		**1,645,537**	**871,087**

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

Amounts in SEK thousand

	Share capital	Share premium account	Retained earnings incl. profit/loss for the year	Total equity
Opening equity, 01/01/2022	**556**	**1,049,257**	**-132,512**	**917,301**
Profit/loss for the year			**-47,322**	**-47,322**
Other comprehensive income			**-**	**-**
Comprehensive income for the year			**-47,322**	**-47,322**
Transactions with shareholders				
New share issues from previous years				**-**
New share issue				**-**
Dividend			-409,913	**-409,913**
Closing equity, 31/12/2022	**556**	**1,049,257**	**-589,747**	**460,066**
Opening equity, 01/01/2023	**556**	**1,049,257**	**-589,747**	**460,066**
Profit/loss for the year			**-145,618**	**-145,618**
Other comprehensive income			**-**	**-**
Comprehensive income for the year			**-145,618**	**-145,618**
Transactions with shareholders				
Dividend			-94,399	**-94,399**
Closing equity, 31/12/2023	**556**	**1,049,257**	**-829,764**	**220,049**

PARENT COMPANY STATEMENT OF CASH FLOWS **Amounts in SEK thousand**	**Note**	**01-01-2023** **12-31-2023**	**01-01-2022** **12-31-2022**
	45		
Operating activities			
Profit/loss after financial items		-213,258	-39,238
Adjustment for non-cash items		132,041	-19,431
Income taxes paid		-	-
Cash flows from operating activities before changes in working capital		**-81,217**	**-58,669**
Cash flows from changes in working capital			
Changes in operating receivables		-726,032	1,067,856
Changes in operating liabilities		743,634	-364,013
Cash flows from operating activities		**-63,614**	**645,174**
Investing activities			
Divestment of Group companies		-	19,431
Capital contributions provided, Group companies		-	-14,690
Change in non-current receivables		-	56,441
Cash flows from investing activities		**-**	**61,182**
Financing activities			
Dividend paid		-47,842	-409,913
Long-term loans raised		-	-96,983
Cash flows from financing activities		**-47,842**	**-506,896**
Cash flows for the year		**-111,456**	**199,460**
Cash and cash equivalents at start of year		218,780	19,320
Cash and cash equivalents at year-end		**107,324**	**218,780**

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PARENT COMPANY NOTES

Note 33 Parent Company accounting policies

Summary of the Parent Company's key accounting policies

The key accounting policies applied in the preparation of these annual accounts are detailed below. Unless otherwise stated, these policies were applied consistently in all years presented.

The annual accounts of the Parent Company were prepared in accordance with RFR 2 Accounting for Legal Entities and the Swedish Annual Accounts Act. Any events where the Parent Company applies different accounting policies to the Group, which are detailed in Note 1 of the consolidated financial statements, are stated below.

The annual accounts were prepared according to the cost method.
Preparing financial statements in accordance with RFR 2 requires the use of a number of key estimates for accounting purposes. This requires management to make certain assessments when applying the Parent Company's accounting policies. The areas that involve a high degree of assessments that are complex or such areas where assumptions and estimates are of material importance to the annual accounts are specified in Note 2 of the consolidated accounts.

Through its business, the Parent Company is exposed to a number of different financial risks: market risk (currency risk and interest rate risk), credit risk and liquidity risk. The Parent Company's overall risk management policy focuses on the unpredictability of financial markets and aims to minimise potential unfavourable effects on the Group's financial results. For further information about financial risks, please refer to Note 35 of the consolidated financial statements.

The Parent Company applies different accounting policies to the Group in the following cases:

Form of presentation

The income statement and balance sheet are presented using the layout stipulated in the Swedish Annual Accounts Act. The statement of changes in equity also follows the layout of the consolidated statement, with the addition of the columns stipulated in the Swedish Annual Accounts Act. Furthermore, this means a difference in terms compared with the consolidated accounts, primarily regarding finance income and expense and equity.

Investments in Group companies

Investments in subsidiaries are recognised at cost, less any impairment. Cost includes acquisition-related costs, contributions and any contingent considerations.

When there is an indication that investments in subsidiaries have declined in value, a calculation is made of the recoverable value. If this value is lower than the carrying amount, an impairment loss is recognised. Impairment losses are recognised in the items 'Profit/loss from investments in Group companies.'

Investments in associates

Participations in associates are recognised at cost, less any impairment. Cost includes acquisition-related costs, contributions and any contingent considerations.

Shareholder contributions and Group contributions

Group contributions are recognised as appropriations in both the receiving and contributing companies. In the Parent Company, contributions are recognised as increases in the carrying amount of the participations, and in the receiving company, they are recognised as an increase in equity.

Financial instruments

Financial instruments are measured at cost. In subsequent periods, financial assets that are acquired to be held for the short term will be recognised in line with the lowest value principle, at the lower of cost and market value, adjusted for any provisions for future losses.

All amounts are stated in SEK thousand unless otherwise indicated. Figures in brackets relate to the previous year.

Note 34 Operating expenses by type of cost

Central administration	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Management fee, Group companies	-31,902	-27,545
Property expenses	-1,125	
Other services, Group companies	-443	-6,741
Audit, legal and consultancy fees	-5,447	-212
Accounting services	-1,233	-1,226
Other costs	8	-2,511
Total	**-40,142**	**-38,235**

Note 35 Disclosures on fees and expenses to auditors

	2023 31 December 2023	2022 31 December 2022
Ernst & Young AB		
auditing assignments	-983	-1,287
tax advisory services	-	-
other assignments	-35	-
	-1,018	**-1,287**
KPMG		
auditing assignments	-255	-
tax advisory services	-	-
other assignments	-	-
	-255	**-**

The audit assignment includes the statutory audit of the annual accounts and consolidated accounts as well as the administration of the company by the Board of Directors and CEO and other audits and reviews carried out under an agreement or contract. This includes other duties that are incumbent on the Company's auditors and the provision of advice or other assistance resulting from observations in connection with such assessment or the performance of such other duties.

The Parent Company's expenses include Group company expenses.

Note 36 Profit/loss from investments in Group companies

	12-31-2023	12-31-2022
Profit/loss from the sale of investments in Group companies	1,993	19,431
Impairment of investments in Group companies	-164,558	-
Total	**-162,565**	**19,431**

The company recognised an impairment loss on investments in Group companies as the recoverable value had fallen below the

Note 37 Finance income

	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Interest income	6	-
Interest income, Group companies	97,033	42,916
Interest income, associates/joint ventures	51	44
Other finance income	798	-
Total	**97,887**	**42,960**

Note 38 Finance costs

	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Interest expense	44,725	39,090
Interest expense, Group companies	60,317	18,095
Accrual of borrowing costs	3,278	3,277
Other finance costs	145	144
Total	**108,465**	**60,606**

Note 39 Tax on profit for the year

	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Current tax	-	-
- tax on profit for the year	-	-
- tax attributable to previous periods	-	-
Deferred tax		
- relating to capitalised loss carryforwards	-	16,102
Total	**-**	**16,102**

Reconciliation of tax recognised	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Profit/loss before tax	-145,618	-31,220
Nominal tax at the applicable tax rate (20.6%)	29,997	6,431
Tax effect of non-deductible expenses	-33,489	4,003
Tax effect of non-taxable income	1	-
Tax effect, loss carryforwards	5,657	9,302
Tax effect of restrictive interest deductions	-2,166	-3,634
Total	**-0**	**16,102**

No deferred tax was recognised in equity.

Note 40 Investments in Group companies

	31 December 2023	31 December 2022
Opening cost	128,447	113,757
Unconditional shareholder contributions	-	14,690
Conditional shareholder contributions	159,690	
Reclassification from associates	-	-
Closing accumulated cost	**288,137**	**128,447**
Opening impairment losses	-13,303	-13,303
Impairment losses for the year	-164,558	-
Closing accumulated impairment losses	**-177,861**	**-13,303**
Closing carrying amount	**110,276**	**115,144**

Company name	**Corp. reg. no.**	**Registered**	**Percentage of equity***	**Carrying amount**
Slättö VII Holding 1 AB	559159-7512	Stockholm	100.0%	17,520
Slättö VII Holding 2 AB	559176-9699	Stockholm	100.0%	204
Slättö VII Holding 3 AB	559195-9092	Stockholm	100.0%	50
Slättö VII Holding 4 AB	559103-6511	Stockholm	100.0%	49,050
Slättö VII Holding 5 AB	559153-7690	Stockholm	100.0%	49,855
Slättö VII Holding 6 AB	559235-0952	Stockholm	100.0%	-6,452
Slättö VII Project Development AB	559184-9855	Stockholm	100.0%	50
				110,276

Note 41 Investments in associates/joint ventures

	12-31-2023	12-31-2022
Opening cost	536	506
Acquisitions	-	30
Unconditional shareholder contributions	18	-
Closing accumulated cost	554	536
Closing carrying amount	**554**	**536**

Parent Company – Associates

Company name	Corp. reg. no.	Registered office
Ostia Fastighetsutveckling i Norrköping AB	559245-8060	Norrköping
Brygghuset Fastighet i Norrköping AB	559372-8800	Norrköping

Company name	Percentage of equity 31 December 2023	Percentage of equity December 2022	Carrying amount 31 December 2023	Carrying amount December 2022
Ostia Fastighetsutveckling i Norrköping AB	25%	33%	554	536
Total carrying amount, associates			**554**	**536**

*The share of equity is the same as the ownership interest.

Note 42 Other non-current receivables

	12-31-2023	12-31-2022
Opening value	-	56,471
Closing value	-	-56,471
Total	**-**	**-**

Note 43 Other receivables

	12-31-2023	12-31-2022
Receivables relating to property sales	19	37,067
Tax account	171	169
Other items	-	1,401
Total	**189**	**38,637**

NOTE 44 Prepaid expenses and accrued income

	12-31-2023	12-31-2022
Prepaid management fees	14,506	-
Other	796	53
Total	**15,302**	**53**

Note 45 Cash flows and cash and cash equivalents

Interest paid and received	12-31-2023	12-31-2022
Interest paid	-43,685	-63,453
Interest received	798	42,960
Total	**-42,887**	**-20,493**

Adjustment for non-cash items		
Profit/loss, Group companies	164,558	19,431
Accrual of capitalised borrow ing costs	3,278	-
Change in accrued interest	-35,795	-
Total	**132,041**	**19,431**

Cash and cash equivalents		
Cash and bank balances	107,324	218,780
Total	**107,324**	**218,780**

Note 46 Share capital

Share capital includes registered share capital. The number of shares is 555,878 (555,878) and the quota value is SEK 1 (1) per share. In addition to the difference in the number of votes per share, there may be financial differences betw een the share classes. Such characteristics refer to the right to repayment of contributed capital, the right to interest on contributed capital and the right to a proportion of any excess returns. Consequently, by ow ning one or more share classes, a shareholder has a certain right to the Company's equity and profit or loss, as stated in the w aterfall provision in the shareholders' agreement betw een Slättö Förvaltning and the investors. For a detailed description, see the Articles of Association.

Note 47 Conditional shareholder contributions

The conditional repayment obligation for shareholder contributions w as SEK 50 thousand (50) at year-end.

Note 48 Interest-bearing liabilities

	12-31-2023	12-31-2022
Non-current liabilities		
Bond loans	400,000	400,000
Accrual of issue expense	-3,687	-6,965
Current liabilities		
Liabilities to credit institutions	-	-
Total	**396,313**	**393,035**

The Parent Company has loan terms related to bond loans: equity/assets ratio (at least 35%) and interest coverage ratio (at least 1.5x).

Note 49 Other current liabilities

	12-31-2023	12-31-2022
Approved dividend	46,558	-
Other items	58	63
Total	**46,616**	**63**

Note 50 Accrued expenses and deferred income

	12-31-2023	12-31-2022
Accrued interest expenses	5,685	4,712
Accrued audit costs	-	1,087
Accrued audit costs and other items	1,539	152
Total	**7,224**	**5,951**

Note 51 Financial liabilities attributable to financing activities

	01-01-2023	Reclassification	Cash inflow	Cash outflow	Non-cash items	12-31-2023
Bond loans	393,035	6,965				**400,000**
Accrued borrowing costs	-	-6,965			3,278	**-3,687**
Total	**393,035**	**-**	**-**	**-**	**3,278**	**396,313**

	01-01-2022	Reclassification	Cash inflow	Cash outflow	Non-cash items	12-31-2022
Bond loans	489,758			-100,000	3,277	**393,035**
Accrued borrowing costs						**-**
Total	**489,758**	**-**	**-**	**-100,000**	**3,277**	**393,035**

Note 52 Pledged assets

	12-31-2023	12-31-2022
Property mortgages	-	-
Pledged shares in subsidiaries	-	-
Floating charges	10,000	10,000
Total	**10,000**	**10,000**

Note 53 Contingent liabilities

	12-31-2023	12-31-2022
Guarantees on behalf of Group companies	461,000	199,382
Guarantees on behalf of associates and joint ventures	459,571	489,055
Conditional shareholder contribution	50	50
Total	**920,621**	**688,487**

Note 54 Appropriations

	01-01-2023 12-31-2023	01-01-2022 12-31-2022
Group contributions	67,640	8,019
Total	**67,640**	**8,019**

Note 55 Related parties

	12-31-2023	12-31-2022
Shareholders		
Services purchased	-34,074	-28,237
Subsidiaries		
Services sold	-	36
Interest income	97,033	42,916
Interest expense	-60,317	-18,095
Receivables	1,408,414	1,057,316
Liabilities	975,315	574,777
Associates/joint ventures		
Interest income	51	44
Receivables	3,435	3,340
Liabilities	18	-

Of the Parent Company's sales and purchases, 0 percent (100) of sales and 84.9 percent (100.0) of purchases concern other Group companies. Purchases primarily relate to management fees charged according to agreements. The average effective interest rate on the Group's interest-bearing loans w as 8.86 percent.

The Parent Company has related-party relationships w ith its subsidiaries. In other respects, the management company, Slättö Förvaltning AB, carried out services for the fund (Group) or companies ow ned by the fund. All transactions w ere conducted on market terms.

Note 56 Proposed appropriation of profits

The following profit is at the disposal of the Annual General Meeting:

Retained earnings from the previous year	459,510,376
Dividend	-94,399,329
Profit/loss for the year	-145,617,852
	219,493,195

The Board of Directors proposes that

the following amount be carried forward	219,493,195
	219,493,195

Stockholm, date indicated by our electronic signature

Johan Karlsson
Chair of the Board

Erik Dansbo
Board member

Jonas Andersson
Board member

Christian Bratt
Chief Executive Officer

Stockholm, date indicated by our electronic signature

KPMG AB

Mattias Johansson
Authorised Public Accountant

Auditor’s Report

To the general meeting of the shareholders of Slättö Value Add I AB, corp. id 556994-4464

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Slättö Value Add I AB for the year 2023, except for the corporate governance statement on pages 2-4. The annual accounts and consolidated accounts of the company are included on pages 1-52 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 2-4. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor’s Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Matter

The audit of the annual accounts for year 2022 was performed by another auditor who submitted an auditor´s report dated 30 April 2023, with unmodified opinions in the Report on the annual accounts and consolidated accounts.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Valuation of investment properties

See disclosure 14 and accounting principles on pages 22-25 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

Investment properties are held at fair value in the group’s financial statements. The carrying value of these properties is 1 430 280 TSEK as per 31 December 2023. The fair value of Investment properties as per 31 December 2023 has been determined based on valuations carried out by independent appraisers. The external valuations are made through an individual judgement for each property of future earning capacity and market yield requirements. Change in valuation could occur either because of macro and microeconomic or property-specific reasons. The valuations are based on assessments and assumptions that can have a significant impact on the Group´s earnings and financial position. The risk is that the carrying value of Investment properties could be over- or underestimated and that deviations would directly influence profit for the year.

Response in the audit

We have considered whether the applied valuation methodology is reasonable by comparing it with our experience of how other real estate companies and valuers work and what assumptions are normal when valuing comparable objects.

We have assessed the competence and independence of the external valuers and we have reviewed the valuers’ assignment agreements in order to assess whether there are contractual terms that may affect the scope or direction of the external valuers' assignments.

We have randomly tested the established property valuations. In doing so, we have used current market data from external sources, especially regarding assumptions about yield requirements, discount rates, rental levels and vacancies.

We have checked the accuracy of disclosures on investment properties given by the group in disclosure 14 in the annual report, especially with regard to elements of assessments and applied key assumptions.

We have particularly taken into account effects on both cash flows and yield in relation to the macroeconomic situation.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 56-62. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.
In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company’s and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director’s responsibilities and tasks in general, among other things oversee the company’s financial reporting process.

Auditor’s responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company’s internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors’ and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company’s and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor’s report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Slättö Value Add I AB for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.
The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.
The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 2-4 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR´s standard RevR 16 The auditor´s examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of Slättö Value Add I AB by the general meeting of the shareholders on June 26, 2023. KPMG AB or auditors operating at KPMG AB have been the company's auditor since July 7, 2023.

Stockholm on the day shown by our electronic signature.

KPMG AB

Mattias Johansson

Authorized Public Accountant

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: Slättö Value Add I AB **Legal entity identifier:** 8945004PIZ81T8RZWV70

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 5% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The environmental or social characteristics promoted by the fund are:

• Characteristic 1: Apply exclusion list in line with Slättö's Policy for Responsible Investment.

• Characteristic 2: Reduce GHG emissions in real estate, by reducing energy demand across the fund's portfolio where relevant.

• Characteristic 3: Promote responsible business conduct in the fund's investments in real estate development, by engaging construction partners through the Slättö Construction Supplier Code of Conduct.

With respect to sustainable investments (defined with the EU Taxonomy criteria) with environmental objectives, the environmental objective to which the sustainable investment underlying the financial product contributed to is climate change mitigation.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

• Characteristic 1: Apply exclusion list.The exclusion list in line with Slättö's Policy for Responsible Investment was met for all investments made from the end of 2021 onwards

• Characteristic 2: Reduce GHG emissions in real estate, by reducing energy demand across the fund's portfolio where relevant. Slättö monitors energy consumption of the fund's cash-flow assets, where GHG emissions data is gathered and analysied on a third-party system. The fund also invests in project development, where energy efficiency standards generally meet the Climate mitigation criteria of the EU Taxonomy.

• Characteristic 3: Promote responsible business conduct in the fund's investments in real estate development. Slättö requires a Construction Supplier Code of Conduct and self-assessment for all new projects.

For investments representing 8% of the fund's assets, the environmental and / or social characteristics could not be evaluated.

…and compared to previous periods?

In comparison to 2022:

• Characteristic 1: No change.

• Characteristic 2: No change. Cash-flow assets are in automated energy monitoring system Mestro.

• Characteristic 3: No change.

For investments representing 8% of the fund's assets, the environmental and / or social characteristics could not be evaluated.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable investments the fund partially intends to make are in line with the EU Taxonomy objective:

• Environmental objective 1: Climate change mitigation.

During 2023, the sustainable investments contributed to climate change mitigation, by investing in a real estate asset that meets the Taxonomy criteria for this objective in economic activity 7.7 (Acquisition and Ownership of real estate).

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Slättö has assessed the sustainable investment that contributes to the EU Taxonomy environmental objective 1 against the Do No Significant Harm criteria of the EU Taxonomy related to the economic activities the fund invests in. The economic activity that is most relevant to this fund is 7.7, acquisition and ownership of buildings. The Do No Significant Harm criteria were met.

How were the indicators for adverse impacts on sustainability factors taken into account?

For all the fund's investments, including sustainable investments, Slättö gathers data regarding buildings' Primary Energy Demand based on energy performance certificates (EPCs) for all the assets in our portfolio. We also gather data regarding energy consumption of assets on an ongoing basis and work to reduce energy demand and increase renewable energy wherever relevant.

Slättö follows up on the indicators for adverse impacts applicable to real estate in Table 1, Annex I of RTS Regulation (exposure to fossil fuels through real estate assets and exposure to energy-inefficient real estate assets), and an additional indicator from Table 2 (energy consumption intensity in KWh of owned real estate asset per square meter).

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Considering the Platform on Sustainable Finance's Final Report on Minimum Safeguards, Slättö applies Minimum Safeguards, namely with respect to the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Slättö's Code of Conduct states the firm's policies on human rights and workers' rights, bribery, taxation and fair competition. Slättö requires all construction suppliers in new real estate development projects to commit to following Slättö's Construction Supplier Code of Conduct. We follow up on our policies through a screening process of construction suppliers where they must answer questions about their commitment and practices with respect to the principles in the Construction Supplier Code of Conduct.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did this financial product consider principal adverse impacts on sustainability factors?

The fund considers principal adverse impacts on sustainability factors, namely climate and other environmentally-related impacts from real estate's energy consumption and exposure to fossil fuels. Assets have energy performance certificates (EPCs) according to applicable legal requirements, and Slättö gathers data about energy consumption in our standing assets. More information is available on the Slättö Investor Portal and Data Room. See section above on adverse impacts on sustainability factors and alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Largest investments	Sector	% Assets	Country
Development in Bromstensstaden	*Residential*	*26%*	*Sweden*
Public Holding	*Multiple*	*14%*	*Sweden*
Development in Rödalen	*Residential*	*13%*	*Sweden*
Development in Norrköping	*Logistics*	*10%*	*Sweden*
Development in Norrköping	*Residential*	*8%*	*Sweden*

The data in the table above is calculated on the basis of all assets in the fund including cash.

What was the proportion of sustainability-related investments?

Investments aligned with environmental and / or social characteristics

88% of the fund's assets are aligned with environmental and / or social characteristics. The remaining assets are cash (4%), where environmental and / or social characteristics are not applicable, and investments where the sustainability characteristics could not be evaluated (8%).

Sustainable investments

The fund also makes sustainable investments in line with the environmental criteria of the EU Taxonomy. The proportion of sustainable investments in line with the environmental criteria of the EU Taxonomy were 5% (Turnover, Opex) and 1% (Capex), based on activity 7.7.

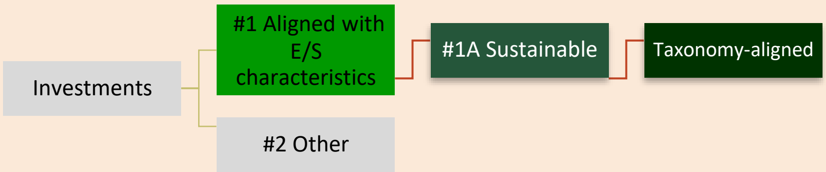
During 2023, Slättö has carried out an assessment of all the fund's investments against the EU Taxonomy criteria for economic activities 7.7 and 7.1. Many of the fund's investments are early-phase project developments, where our ambition is to align the projects to the Taxonomy criteria; however, to err on the side of caution, we have deemed it too early to assess these investments as Taxonomy-aligned. Some other investments were project developments started long before the EU Taxonomy criteria were developed, and therefore it is not possible to align them.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?

88% of the fund's assets are aligned with environmental and / or social characteristics. The remaining assets are cash (4%), where environmental and / or social characteristics are not applicable, and investments where the sustainability characteristics could not be evaluated (8%).

The fund also makes sustainable investments.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

In which economic sectors were the investments made?

The investments were mainly made in economic activity 7.1 (real estate, construction) and 7.7 (real estate, acquisition and ownership) as defined in the EU Taxonomy regulation.

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

✖ No

The fund makes sustainable investments in line with the environmental criteria of the EU Taxonomy. All the remaining investments meet environmental and social characteristics and take principal adverse impacts in consideration, except for other assets such as cash and hedging instruments.

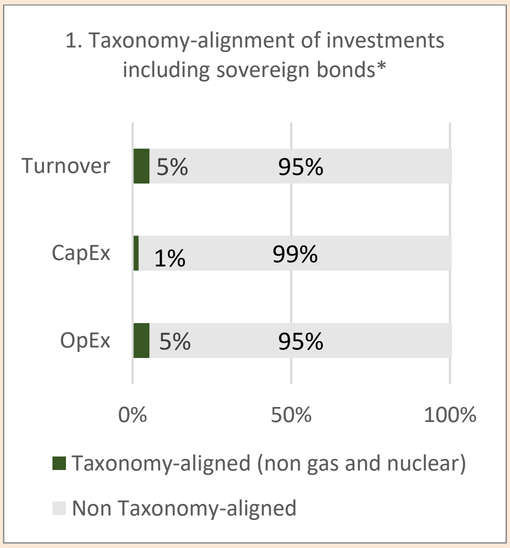
The sustainable investments with an environmental objective aligned with the EU Taxonomy that the fund made in 2023 were in economic activity 7.7.

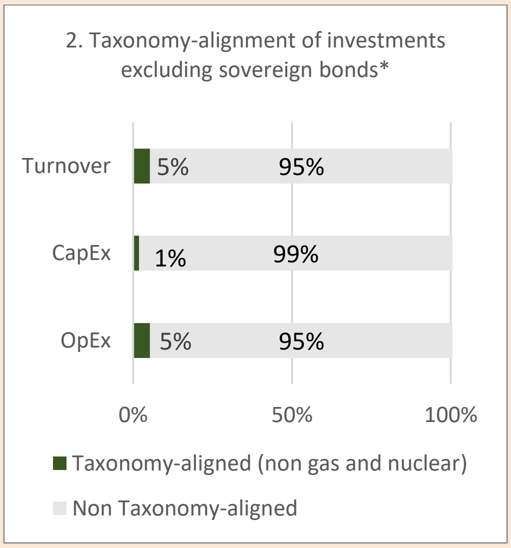
Cash assets are not included in the calculation of the taxonomy-aligned investments.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



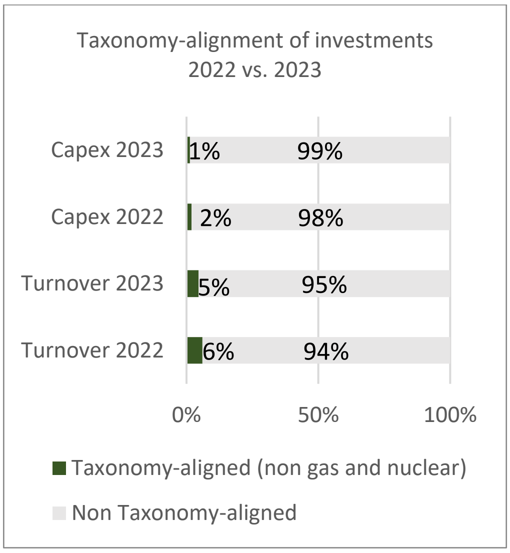


* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

What was the share of investments made in transitional and enabling activities?

No investments were made in transitional and enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

88% of the fund’s assets are aligned with environmental and / or social characteristics. The remaining assets under “Other” are cash (4%), where environmental and / or social characteristics are not applicable, and investments where the sustainability characteristics could not be evaluated (8%).

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During 2023 Slättö has taken the following actions in relation to the fund:

- *Included cash-flow assets in the automatic energy monitoring system Mestro.*
- *Continued development of project assets; these projects generally have energy efficiency standards that meet the Climate mitigation criteria of the EU Taxonomy.*
- *Carried out a pre-study for a future residential project in Inre Hamnen, where we assessed sustainability best practices.*
- *Included environmental and social aspects in the detailed planning work for Strömbrytaren.*
- *Analysed embodied carbon based on Lifecycle assessments across construction assets.*
- *Engaged with the company Logistea, which is one of our investments, to encourage sustainability goal-setting, actions and reporting*